

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 13E-3**

(Amendment No. 1)

**RULE 13e-3 TRANSACTION STATEMENT  
UNDER SECTION 13(e) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

**Cepton Inc.**  
(Name of the Issuer)

**Cepton Inc.**  
**KOITO MANUFACTURING CO., LTD.**  
**Project Camaro Holdings, LLC**  
**Project Camaro Merger Sub, Inc.**  
(Names of Persons Filing Statement)

**Common Stock, \$0.00001 par value per share**  
(Title of Class of Securities)

**15673X200**  
(CUSIP Number of Class of Securities)

**Jun Pei**  
**Chairman, President and Chief Executive Officer**  
**Cepton, Inc.**  
**399 West Trimble Road**  
**San Jose, California 95131**  
**(408) 459-7579**

**Satoshi Kabashima**  
**KOITO MANUFACTURING CO., LTD.**  
**Project Camaro Holdings, LLC**  
**Project Camaro Merger Sub, Inc.**  
**Sumitomo Fudosan Osaki Twin Bldg. East, 5-1-18,**  
**Kitashinagawa, Shinagawa-ku,**  
**Tokyo 141-0001, Japan**  
**+81-3-3443-7111**

(Name, Address and Telephone Number of Persons Authorized to  
Receive Notices and Communications on Behalf of Persons Filing Statement)

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This statement is filed in connection with (check the appropriate box):

- a.  The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14C, or Rule 13e-3(c) under the Securities Exchange Act of 1934.
- b.  The filing of a registration statement under the Securities Act of 1933.
- c.  A tender offer.
- d.  None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies:

Check the following box if the filing is a final amendment reporting the results of the transaction:

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## RULE 13e-3 TRANSACTION STATEMENT INTRODUCTION

This Rule 13e-3 Transaction Statement on Schedule 13E-3 (this “**Transaction Statement**”) is being filed with the U.S. Securities and Exchange Commission (the “**SEC**”) pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), by (1) Cepton Inc. (the “**Company**”), a Delaware corporation (2) KOITO MANUFACTURING CO., LTD., a corporation organized under the laws of Japan (“**Parent**” or “**Koito**”), (3) Project Camaro Holdings, LLC, a Delaware limited liability company and wholly owned subsidiary of Parent (“**Holdco**”), and (4) Project Camaro Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Holdco (“**Merger Sub**” and, together with Parent and Holdco, the “**Koito Entities**”) (each of (1) through (4) a “**Filing Person**,” and collectively, the “**Filing Persons**”).

This Transaction Statement is being filed with the SEC concurrently with the filing of the Company’s preliminary proxy statement on Schedule 14A (the “**Proxy Statement**”) pursuant to Regulation 14A under the Exchange Act. The information contained in the Proxy Statement, including all annexes thereto, is expressly incorporated herein by reference and the responses to each item of this Transaction Statement are qualified in their entirety by reference to the information contained in the Proxy Statement. As of the date hereof, the Proxy Statement is in preliminary form and is subject to completion or amendment. This Transaction Statement will be amended to reflect such completion or amendment of the Proxy Statement. Capitalized terms used and not otherwise defined herein have the meanings ascribed to such terms in the Proxy Statement.

The Company proposes to hold a special meeting of its stockholders to consider approval of the Agreement and Plan of Merger, dated July 29, 2024 (the “**Merger Agreement**”), by and among the Company, Parent, and Merger Sub, pursuant to which, among other things, Merger Sub will merge with and into the Company (the “**merger**”). As a result of the Merger, the separate corporate existence of Merger Sub will cease, and the Company will continue as the surviving corporation of the Merger and as an indirect controlled subsidiary of Parent and a wholly owned subsidiary of Holdco.

The Board of Directors of the Company (the “**Board**”) referred consideration of any potential transaction involving the Company to a Special Committee of the Board (the “**Special Committee**”), including the authority to, among other things, review, evaluate, negotiate, and make a recommendation to the Board whether to approve any proposal made by Parent.

After careful consideration, including a thorough review of the Merger Agreement, the other transaction documents and the terms of the merger, and taking into account the presentations made to the Special Committee and various other factors discussed and considered by the Special Committee, and after due consideration of its fiduciary duties under applicable law, the Special Committee has determined that the terms of the Merger Agreement, the other transaction documents and the merger, including the Merger Consideration (as defined below) payable in connection therewith, are advisable, fair to, and in the best interests of, the Company and the stockholders of the Company (other than the Parent or Merger Sub or any of their respective affiliates or the Rolling Participants (as defined in the Proxy Statement)). Accordingly, the Special Committee unanimously recommended that the Board approve, adopt and declare advisable and in the best interests of the Company and its stockholders the Merger Agreement, the other transaction documents and the merger.

The Board (acting on the recommendation of the Special Committee, whose analyses and determinations the Board adopted as its own in its evaluation of the fairness of the merger), after considering the factors more fully described in the enclosed Proxy Statement: (1) determined that the merger, and the other transactions contemplated by the Merger Agreement are advisable and in the best interests of the Company and its stockholders including the unaffiliated security holders as defined under Rule 13e-3 under the Exchange Act and (2) approved the Merger Agreement, the merger and the other transactions contemplated by the Merger Agreement.

The Merger Agreement provides that each share of the Company’s common stock (the “**Common Stock**”) outstanding immediately prior to the date of the filing of the Certificate of Merger with the Secretary of State of the State of Delaware (the “**Effective Time**”) (other than certain excluded shares of Common Stock) will be converted into the right to receive, subject to the terms and conditions contained in the Merger Agreement, an amount in cash equal to \$3.17 per share, without interest (the “**Merger Consideration**”). At the Effective Time, each share of Preferred Stock issued and outstanding immediately prior to the Effective Time shall remain outstanding and shall not be cancelled.

The Merger Agreement also provides that at or immediately prior to the Effective Time:

- each compensatory option to purchase shares of Common Stock (a “**Company Option**”) that is outstanding immediately prior to the Effective Time, whether or not vested or exercisable, shall be cancelled, and the holder of any such option shall be entitled to receive, at or promptly after the merger, an amount in cash, less any withholding taxes, determined by multiplying (a) the excess, if any, of the per share price over the applicable exercise price per share of the Company Option by (b) the number of shares of Common Stock subject to such Company Option immediately prior to the Effective Time;
- each service-based restricted stock unit or deferred stock unit of the Company (“**Company RSU**”) that is outstanding immediately prior to the Effective Time, whether or not vested, shall be canceled, and the holder of any such Company RSU will be entitled to receive (without interest), at or promptly after the Effective Time, for each such Company RSU an amount in cash, less any withholding taxes, determined by multiplying the per share price by the number of shares of Common Stock underlying such Company RSU immediately prior to the Effective Time; provided, that as to any such Company RSU that is not vested as of the Effective Time, the per share price for such unvested Company RSU will remain subject to the vesting conditions that applied to such Company RSU immediately prior to the Effective Time (including any provisions for accelerated vesting of such Company RSU in connection with a termination of the holder’s employment) and shall be payable only if and to the extent such vesting conditions are satisfied;
- each award of performance-based restricted stock units of the Company (“**Company PSU**”) that is outstanding immediately prior to the Effective Time shall vest as to the number of Company PSUs determined in accordance with the applicable award agreement and shall be canceled and converted into the right to receive (without interest), at or promptly after the Effective Time, an amount in cash (without interest) determined by multiplying the per share price by the number of shares of Common Stock underlying such vested Company PSUs, less any withholding taxes. Any Company PSU that is not vested as of immediately prior to the Effective Time shall be canceled at the Effective Time without payment of any consideration therefor; and
- each outstanding warrant shall, in accordance with its terms under the Warrant Agreement, automatically and without any required action on the part of the holder thereof, cease to represent a warrant exercisable for shares of Common Stock and shall become a warrant exercisable for the merger consideration. If a holder properly exercises a warrant within thirty (30) days following the public disclosure of the consummation of the merger pursuant to a Current Report on Form 8-K filed with the SEC, the Warrant Price, as defined in the Warrant Agreement, with respect to such exercise shall be reduced by an amount (in dollars and in no event less than zero) equal to the difference of (a) the Warrant Price in effect prior to such reduction minus (b) (i) the per share merger consideration minus (ii) the Black-Scholes Warrant Value (as defined in the Warrant Agreement).

Concurrently with the execution of the Merger Agreement, Dr. Jun Pei, Dr. Mark McCord and Mr. Yupeng Cui, as stockholders of the Company holding [●]% of the outstanding Common Stock as of the record date for the special meeting of the stockholders of the Company, entered into a rollover agreement with Parent and Holdco (the “**Rollover Agreement**”), pursuant to which, immediately prior to the Effective Time, Dr. Jun Pei, Dr. Mark McCord and Mr. Yupeng Cui 1,291,810, 515,886 and 476,549 shares of the Company’s common stock, respectively, and Parent will separately contribute its 1,962,474 shares of the Company’s common stock and 100,000 shares of its Series A Convertible Preferred Stock, par value \$0.00001 per share (“**Preferred Stock**”) as contemplated therein, to Holdco in exchange for equity interests in Holdco.

In addition, Koito and each of Dr. Pei, Dr. Jun Ye and Dr. McCord (collectively, the “**Supporting Stockholders**”) entered into voting support agreements (the “**Voting Support Agreements**”), pursuant to which, among other things, each of the Supporting Stockholders agreed, subject to the terms thereof, to vote or cause to be voted, all of the shares of the Company’s common stock beneficially owned by such Supporting Stockholders in favor of the adoption of the Merger Agreement at the special meeting of the Company’s stockholders. The aggregate number of shares of the Company’s common stock beneficially owned by the Supporting Stockholders and required to be voted or cause to be voted in favor of the adoption of the Merger Agreement pursuant to the Voting Support Agreements represents approximately 38.7% of the shares of the Company’s common stock outstanding.

While each of the Filing Persons acknowledges that the Merger is a going private transaction for purposes of Rule 13E-3 under the Exchange Act, the filing of this Transaction Statement shall not be construed as an admission by any Filing Person, or by any affiliate of a Filing Person, that the Company is “controlled” by any of the Filing Persons and/or their respective affiliates.

The information concerning the Company contained in, or incorporated by reference into, this Transaction Statement and the Proxy Statement was supplied by the Company. Similarly, all information concerning each other Filing Person contained in, or incorporated by reference into, this Transaction Statement and the Proxy Statement was supplied by such Filing Person. No Filing Person is responsible for the accuracy of any information supplied by any other Filing Person.

### **Item 1. Summary Term Sheet**

The information set forth in the Proxy Statement under the captions “Summary Term Sheet” and “About the Special Meeting and the Transaction” is incorporated herein by reference.

### **Item 2. Subject Company Information**

(a) *Name and Address.* The name of the subject company is Cepton Inc., a Delaware corporation. The Company’s principal executive offices are located at 399 West Trimble Road, San Jose, California, 95131. The Company’s telephone number is (408) 459-7579.

(b) *Securities.* The subject class of equity securities to which this Transaction Statement relates is the Company’s common stock, \$0.00001 par value per share, of which [●] shares were outstanding as of [●], 2024. The information set forth in the Proxy Statement under “Market Price of Common Stock” is incorporated herein by reference.

(c) *Trading Market and Price.* The information set forth in the Proxy Statement under “Market Price of Common Stock” is incorporated herein by reference.

(d) *Dividends.* The information set forth in the Proxy Statement under “Market Price of Common Stock” is incorporated herein by reference.

(e) *Prior Public Offerings.* None of the Filing Persons have made an underwritten public offering of Common Stock for cash during the three years preceding the date of the filing of this Transaction Statement.

(f) *Prior Stock Purchases.* None of the Filing Persons have purchased any shares of the Company’s common stock within the past two years. On January 19, 2023, the Company issued 100,000 shares of its Preferred Stock to Koito for a purchase price of \$100.0 million pursuant to an investment agreement, dated October 27, 2022. The Preferred Stock is convertible into shares of the Company’s common stock at an approximate conversion price of \$25.85 per share (subject to adjustment). During the past two years, certain executive compensation awards have been granted to affiliates under the Company’s 2022 Equity Incentive Plan. All such awards have been previously reported in filings with the SEC on Form 4.

### **Item 3. Identity and Background of Filing Person**

(a) - (c) *Name and Address; Business and Background of Entities; Business and Background of Natural Persons.* The information set forth in the Information Statement under “The Transaction—Parties Involved in the Merger” and “Interests of Certain Persons in the Transaction” is incorporated herein by reference.

Neither the Company nor to the Company’s knowledge, none of the Company’s directors or executive officers has been convicted in a criminal proceeding during the past five years (excluding traffic violations or similar misdemeanors) or has been a party to any judicial or administrative proceeding during the past five years (except for matters that were dismissed without sanction or settlement) that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws.

Other than Dong (Dennis) Chang, Xiaogang (Jason) Zhang, and George Syllantavos, each of the Company’s directors and executive officers is a citizen of the United States.

Holdco, a Delaware limited liability company, was formed on July 22, 2024, as a wholly owned subsidiary of Parent, solely for the purpose of facilitating the Rollover in connection with the Merger and has conducted no business activities other than those related to the structuring and negotiation of the Rollover. The principal executive office address of Holdco is Sumitomo Fudosan Osaki Twin Bldg. East, 5-1-18, Kitashinagawa, Shinagawa-ku, Tokyo 141-0001, Japan. The telephone number for the principal office of Holdco is +81-3-3443-7111. The sole member of Holdco is Parent. Holdco does not presently have any directors or officers.

#### **Item 4. Terms of the Transaction**

(a) *Material Terms.* The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Effect of the Merger,” “Special Factors—Effect of the Merger on Our Capital Stock and Equity Awards,” “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” “Special Factors—Reasons of the Koito Entities for the Merger,” “The Transaction—Plans for the Company After the Merger,” “Special Factors—Delisting and Deregistration of Our Common Stock,” “Special Factors—Accounting Treatment,” “The Merger Agreement—The Merger,” “The Merger Agreement—Requisite Stockholder Approval,” “The Merger Agreement—Consents, Approvals and Filings,” “The Merger Agreement—Other Covenants and Agreements,” “The Merger Agreement—Company Material Adverse Effect,” “The Merger Agreement—Termination of the Merger Agreement,” “The Merger Agreement—Termination Fee; Effect of Termination,” “Special Factors—Fees and Expenses,” “The Merger Agreement—Material U.S. Federal Income Tax Consequences of the Transaction,” “The Merger Agreement—Conditions to the Transaction,” “Voting Support Agreements” and “Rollover Agreement” is incorporated herein by reference. Further, the information set forth in Annex A of the Proxy Statement, the Merger Agreement, Annex B of the Proxy Statement, the Form of Voting Support Agreement, and Annex C of the Proxy Statement, the Rollover Agreement are incorporated herein by reference.

(c) *Different Terms.* The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Effect of the Merger on Our Capital Stock and Equity Awards,” “Voting Support Agreements,” “Rollover Agreement” and “Interests of Certain Persons in the Transaction” is incorporated herein by reference. Further, the information set forth in Annex A of the Proxy Statement, the Merger Agreement, Annex B of the Proxy Statement, the Form of Voting Support Agreement, and Annex C of the Proxy Statement, the Rollover Agreement is incorporated herein by reference.

(d) *Appraisal Rights.* The information set forth in the Proxy Statement under “The Transaction—Appraisal Rights” is incorporated herein by reference.

(e) *Provisions for Unaffiliated Security Holders.* No provision has been made by the Filing Persons (i) to grant the Company’s unaffiliated security holders access to its corporate files, any other party to the merger or any of their respective affiliates, or (ii) to obtain counsel or appraisal services at the expense of the Company, any other party to the merger or any of their respective affiliates.

(f) *Eligibility for Listing or Trading.* Not applicable.

#### **Item 5. Past Contracts, Transactions, Negotiations and Agreements**

(a) *Transactions.* The information set forth in the Proxy Statement under “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Reasons of the Koito Entities for the Merger,” “The Merger Agreement,” “Voting Support Agreements,” “Rollover Agreement,” “Interests of Certain Persons in the Transaction—Relationship with Koito,” “Interests of Certain Persons in the Transaction—Interests of Directors and Executive Officers in the Merger,” and “Interests of Certain Persons in the Transaction—Section 280G Mitigation Actions” is incorporated herein by reference.

(b)-(c) *Significant Corporate Events; Negotiations or Contacts.* The information set forth in the Proxy Statement under “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Reasons of the Koito Entities for the Merger,” “The Merger Agreement,” “Voting Support Agreements,” “Rollover Agreement,” “Interests of Certain Persons in the Transaction—Relationship with Koito,” “Interests of Certain Persons in the Transaction—Interests of Directors and Executive Officers in the Merger,” and “Interests of Certain Persons in the Transaction—Section 280G Mitigation Actions” is incorporated herein by reference. Further, the information set forth in Annex A of the Proxy Statement, the Merger Agreement, Annex B of the Proxy Statement, the Form of Voting Support Agreement, and Annex C of the Proxy Statement, the Rollover Agreement is incorporated herein by reference.

(e) *Agreements Involving the Subject Company's Securities.* The information set forth in the Proxy Statement under “The Merger Agreement,” “Voting Support Agreements,” “Rollover Agreement,” “Interests of Certain Persons in the Transaction—Relationship with Koito,” “Interests of Certain Persons in the Transaction—Interests of Directors and Executive Officers in the Merger” and “Security Ownership of Certain Beneficial Owners and Management” is incorporated herein by reference. Further, the information set forth in Annex A of the Proxy Statement, the Merger Agreement, Annex B of the Proxy Statement, the Form of Voting Support Agreement, and Annex C of the Proxy Statement, the Rollover Agreement are incorporated herein by reference.

#### **Item 6. Purposes of the Transaction and Plans or Proposals**

(b) *Use of Securities Acquired.* The information set forth in the Proxy Statement under “Special Factors—Effect of the Merger,” “Special Factors—Effect of the Merger on Our Capital Stock and Equity Awards,” “Special Factors—Delisting and Deregistration of Our Common Stock” and “Rollover Agreement” is incorporated herein by reference.

(c) *Plans.* The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Effect of the Merger,” “Special Factors—Effect of the Merger on Our Capital Stock and Equity Awards,” “Special Factors—Delisting and Deregistration of Our Common Stock,” “Special Factors—Effect on Cepton if the Merger is Not Completed,” “The Transaction—Plans for the Company After the Merger,” “The Merger Agreement” and “Rollover Agreement” is incorporated herein by reference.

#### **Item 7. Purposes, Alternatives, Reasons and Effects**

(a) *Purposes.* The information set forth in the Proxy Statement under “About the Special Meeting and The Transaction,” “Special Factors—Background of the Merger,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” “Special Factors—Reasons of the Koito Entities for the Merger” and “The Transaction—Plans for the Company After the Merger,” is incorporated herein by reference.

(b) *Alternatives.* The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Effect on Cepton if the Merger is Not Completed” “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger” and “Special Factors—Reasons of the Koito Entities for the Merger” is incorporated herein by reference.

(c) *Reasons.* The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger” and “Special Factors—Reasons of the Koito Entities for the Merger” is incorporated herein by reference.

(d) *Effects.* The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Effect of the Merger,” “The Transaction—Effect of the Merger on Our Capital Stock and Equity Awards,” “Special Factors—Delisting and Deregistration of Our Common Stock,” “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” “Special Factors—Reasons of the Koito Entities for the Merger,” “The Transaction—Plans for the Company After the Merger,” “The Merger Agreement—Material U.S. Federal Income Tax Consequences of the Transaction,” “Voting Support Agreements,” “Rollover Agreement” is incorporated herein by reference. Further, the information set forth in Annex A of the Proxy Statement, the Merger Agreement, Annex B of the Proxy Statement, the Form of Voting Support Agreement, Annex C of the Proxy Statement, and the Rollover Agreement is incorporated herein by reference.

## Item 8. Fairness of the Transaction

(a) *Fairness*. The information set forth in the Proxy Statement under “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” and “Special Factors—Reasons of the Koito Entities for the Merger” is incorporated herein by reference. Further the information set forth in Annex D of the Proxy Statement and the Fairness Opinion of Craig-Hallum Capital Group, LLC (“**Craig-Hallum**”) is incorporated herein by reference.

(b) *Factors Considered in Determining Fairness*. The information set forth in the Proxy Statement under “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” and “Special Factors—Reasons of the Koito Entities for the Merger” is incorporated herein by reference. Further, the information set forth in Annex D of the Proxy Statement, the Fairness Opinion of Craig-Hallum, is incorporated herein by reference.

The confidential discussion materials prepared by Craig-Hallum Capital Group, LLC and provided to the Special Committee, dated January 23, 2024, February 13, 2024, June 26, 2024 and July 28, 2024, are attached hereto as Exhibits (c)(2) through (c)(5) and are incorporated by reference herein.

(c) *Approval of Security Holders*. The information set forth in the Proxy Statement under “Special Meeting Agenda—Record Date; Shares Entitled to Vote; Quorum,” “Special Meeting Agenda—Vote Required; Abstentions and Broker Non-Votes,” “About the Special Meeting and the Transaction,” “The Merger Agreement—Conditions to the Transaction,” “The Merger Agreement—Requisite Stockholder Approval,” “Proposal 1: Approval of the Transaction” and “Proposal 2: Vote on Adjournment” is incorporated herein by reference. Further, the information set forth in Annex A of the Proxy Statement, the Merger Agreement, and Annex B of the Proxy Statement, the Form of Voting Support Agreement, is incorporated herein by reference.

(d) *Unaffiliated Representatives*. The information set forth in the Proxy Statement under “The Transaction—Reasons for the Transaction; Recommendations of the Special Committee and the Board” is incorporated herein by reference.

(e) *Approval of Directors*. The information set forth in the Proxy Statement under “The Transaction—Background of the Merger,” “The Transaction—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “The Transaction—Position of the Koito Entities as to the Fairness of the Merger,” and “The Transaction—Reasons of the Koito Entities for the Merger” is incorporated herein by reference.

(f) *Other Offers*. The information set forth in the Proxy Statement under “The Transaction—Background of the Merger,” “The Transaction—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “The Transaction—Position of the Koito Entities as to the Fairness of the Merger,” “The Transaction—Reasons of the Koito Entities for the Merger,” “The Merger Agreement—No Solicitation; Company Board Recommendation Change” is incorporated herein by reference.

## Item 9. Reports, Opinions, Appraisals and Negotiations

(a) *Report, Opinion or Appraisal*. The information set forth in the Proxy Statement under “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Certain Unaudited Prospective Financial Information,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” and “Special Factors—Reasons of the Koito Entities for the Merger” is incorporated herein by reference. Further the information set forth in Annex D of the Proxy Statement and the Fairness Opinion of Craig-Hallum is incorporated herein by reference.

(b) *Preparer and Summary of the Report, Opinion or Appraisal.* The information set forth in the Proxy Statement under “Special Factors—Background of the Merger,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Opinion of Craig-Hallum to the Special Committee,” “Special Factors—Certain Unaudited Prospective Financial Information,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” and “Special Factors—Reasons of the Koito Entities for the Merger” is incorporated herein by reference. Further, the information set forth in Annex D of the Proxy Statement and the Fairness Opinion of Craig-Hallum is incorporated herein by reference.

The confidential discussion materials prepared by Craig-Hallum and provided to the Special Committee, dated January 23, 2024, February 13, 2024, June 26, 2024 and July 28, 2024, are attached hereto as Exhibits (c)(2) through (c)(5) and are incorporated by reference herein.

(c) *Availability of Documents.* The full text of the Fairness Opinion of Craig-Hallum dated July 28, 2024, is attached as Annex D to the Proxy Statement. The opinion is available for inspection and copying during its regular business hours at the Company’s principal executive offices, 399 West Trimble Road, San Jose, California, 95131, by any interested holder of the Company’s common stock or representative who has been designated in writing, and copies may be obtained by requesting them in writing from the Company at the email address provided under the caption “Where You Can Find More Information” in the Proxy Statement, which is incorporated herein by reference.

#### **Item 10. Source and Amounts of Funds or Other Consideration**

(a) *Source of Funds.* The information set forth in the Proxy Statement under “Special Factors—Financing of the Merger,” “Special Factors—Fees and Expenses” is incorporated herein by reference.

(b) *Conditions.* None.

(c) *Expenses.* The information set forth in the Proxy Statement under “Special Factors—Financing of the Merger,” “Special Factors—Fees and Expenses,” is incorporated herein by reference.

(d) *Borrowed Funds.* Not applicable.

#### **Item 11. Interest in Securities of the Subject Company**

(a) *Securities Ownership.* The information set forth in the Proxy Statement under “Security Ownership of Certain Beneficial Owners and Management” is incorporated herein by reference.

(b) *Securities Transactions.* The information set forth in the Proxy Statement under “Security Ownership of Certain Beneficial Owners and Management,” “Interests of Certain Persons in the Transaction—Relationship with Koito,” “Interests of Certain Persons in the Transaction—Interests of Directors and Executive Officers in the Merger,” and “Interests of Certain Persons in the Transaction—Section 280G Mitigation Actions” is incorporated herein by reference.

#### **Item 12. The Solicitation or Recommendation**

(d) *Intent to Tender or Vote in a Going Private Transaction.* The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” “Special Factors—Reasons of the Koito Entities for the Merger,” “The Merger Agreement,” “Voting Support Agreements,” “Rollover Agreement,” “Interests of Certain Persons in the Transaction—Relationship with Koito” and “Interests of Certain Persons in the Transaction—Interests of Directors and Executive Officers in the Merger” is incorporated herein by reference. Further, the information set forth in Annex A of the Proxy Statement, the Merger Agreement, Annex B of the Proxy Statement, the Form of Voting Support Agreement, and Annex C of the Proxy Statement, the Rollover Agreement, is incorporated herein by reference.

(e) *Recommendation of Others*. The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Reasons for the Transaction; Recommendations of the Special Committee and the Board,” “Special Factors—Position of the Koito Entities as to the Fairness of the Merger,” “Voting Support Agreements,” “Rollover Agreement,” “Proposal 1: Approval of the Transaction” and “Proposal 2: Vote on Adjournment” is incorporated herein by reference.

### **Item 13. Financial Statements**

(a) *Financial Information*. The audited financial statements and unaudited interim financial statements are incorporated by reference in the Proxy Statement from the Company’s Annual Report on Form 10-K for the years ended December 31, 2023 and the Company’s Quarterly Report on Form 10-Q for the three months ended September 30, 2024, in each case, filed with the SEC and can be found on its website is [www.sec.gov](http://www.sec.gov). The Company’s reports can also be reviewed on its website at <http://investors.cepton.com>. Additionally, the information set forth in the Proxy Statement under “Market Price of Common Stock” and “Selected Historical Financial Data” is incorporated herein by reference.

(b) *Pro forma Information*. No pro forma data giving effect to the merger has been provided. The Filing Parties do not believe that such information is material to stockholders in evaluating the merger and the Merger Agreement because (i) the Merger Consideration consists only of cash, and (ii) if the merger is consummated, the Company’s common stock will cease to be publicly traded.

### **Item 14. Persons/Assets, Retained, Employed, Compensated or Used**

(a) *Solicitation or Recommendation*. The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction” is incorporated herein by reference.

(b) *Employees and Corporate Assets*. The information set forth in the Proxy Statement under “About the Special Meeting and the Transaction,” “Special Factors—Financing of the Merger,” “Special Factors—Fees and Expenses,” and “Interests of Certain Persons in the Transaction—Interests of Directors and Executive Officers in the Merger” is incorporated herein by reference.

### **Item 15. Additional Information**

(b) *Golden Parachute Compensation*. The information set forth in the Proxy Statement under “Interests of Certain Persons in the Transaction—Interests of Directors and Executive Officers in the Merger—Golden Parachute Compensation” is incorporated herein by reference.

(c) *Other Material Information*. The information contained in the Proxy Statement, including all annexes attached thereto, is incorporated herein by reference.

**Item 16. Exhibits**

<b>Exhibit No.</b>	<b>Description</b>
(a)(1)	<a href="#">Preliminary Proxy Statement of Cepton, Inc., incorporated herein by reference to the Proxy Statement filed with the SEC on November 12, 2024.</a>
(a)(2)	<a href="#">Form of Proxy Card, incorporated herein by reference to the Proxy Statement filed with the SEC on November 12, 2024.</a>
(a)(3)	<a href="#">Letter to Cepton, Inc. Stockholders, incorporated herein by reference to the Proxy Statement filed with the SEC on November 12, 2024.</a>
(a)(4)	<a href="#">Notice of Special Meeting of Stockholders, incorporated herein by reference to the Proxy Statement filed with the SEC on November 12, 2024.</a>
(a)(5)	<a href="#">Press Release issued by Cepton, Inc., dated July 29, 2024, incorporated herein by reference to Cepton, Inc.'s Schedule 14A filed with the SEC on July 29, 2024.</a>
(a)(6)	<a href="#">Letter to Employees from the Chief Executive Officer of Cepton, Inc., dated July 29, 2024, incorporated herein by reference to Cepton, Inc.'s Schedule 14A filed with the SEC on July 29, 2024.</a>
(a)(7)	<a href="#">Cepton, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on April 1, 2024, incorporated herein by reference.</a>
(a)(8)	<a href="#">Definitive Proxy Statement of Cepton, Inc., incorporated herein by reference to the Proxy Statement filed with the SEC on May 15, 2024.</a>
(a)(9)	<a href="#">Cepton, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024, filed with the SEC on November 8, 2024, incorporated herein by reference.</a>
(b)	Not Applicable
(c)(1)	<a href="#">Opinion of Craig-Hallum Capital Group, LLC to the Special Committee of the Board of Directors of Cepton, Inc. dated July 29, 2024, incorporated herein by reference to Annex D to the Proxy Statement filed with the SEC on November 12, 2024.</a>
(c)(2)	<a href="#">Confidential Special Committee Presentation prepared by Craig-Hallum Capital Group, LLC, dated January 23, 2024, for the Special Committee of the Board of Directors of Cepton, Inc.</a>
(c)(3)*	<a href="#">Confidential Special Committee Presentation prepared by Craig-Hallum Capital Group, LLC, dated February 13, 2024, for the Special Committee of the Board of Directors of Cepton, Inc.</a>
(c)(4)	<a href="#">Confidential Special Committee Presentation prepared by Craig-Hallum Capital Group, LLC, dated June 26, 2024, for the Special Committee of the Board of Directors of Cepton, Inc.</a>
(c)(5)	<a href="#">Confidential Special Committee Presentation prepared by Craig-Hallum Capital Group, LLC, dated July 28, 2024, for the Special Committee of the Board of Directors of Cepton, Inc.</a>
(d)(1)	<a href="#">Agreement and Plan of Merger, dated as of July 29, 2024, by and among Cepton, Inc., KOITO MANUFACTURING CO., LTD. and Project Camaro Merger Sub, Inc., incorporated herein by reference to Annex A to the Proxy Statement filed with the SEC on November 12, 2024.</a>
(d)(2)	<a href="#">Form of Voting Support Agreement, incorporated herein by reference to Annex B to the Proxy Statement filed with the SEC on November 12, 2024.</a>
(d)(3)	<a href="#">Rollover Agreement, by and among Dr. Jun Pei, Dr. Mark McCord, Mr. Yupeng Cui, KOITO MANUFACTURING CO., LTD. and Project Camaro Holdings, LLC, incorporated herein by reference to Annex C to the Proxy Statement filed with the SEC on November 12, 2024.</a>
(f)(1)**	<a href="#">Section 262 of the General Corporation Law of Delaware.</a>
(g)(1)	Not applicable.
107**	<a href="#">Filing Fee Tables.</a>

\* Certain portions of this exhibit have been redacted and separately filed with the SEC pursuant to a request for confidential treatment.

\*\* Previously filed.

**SIGNATURES**

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: November 12, 2024

**CEPTON, INC.**

By: /s/ Jun Pei  
Jun Pei  
Chairman, President and Chief Executive Officer

**KOITO MANUFACTURING CO., LTD.**

By: /s/ Takahito Otake  
Takahito Otake  
Senior Managing Corporate Officer

**Project Camaro Holdings, LLC**

By: **KOITO MANUFACTURING CO., LTD., *its sole member***

By: /s/ Hideharu Konagaya  
Hideharu Konagaya  
Executive Vice President

**Project Camaro Merger Sub, Inc.**

By: /s/ Hideharu Konagaya  
Hideharu Konagaya  
President

# Project Cheetah Special Committee Materials for Discussion

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January 23, 2024



# Agenda

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## Agenda Items

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- Review of Lion Offer
- Preliminary M&A Premiums Paid Analysis
- Potential Process Alternatives
- Discussion of Potential Response to Lion

# Review of Lion Offer

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## Summary Overview of Offer

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- **Acquisition:** 100% acquisition of the common shares outstanding, all cash at \$3.17/share
  - No financing condition
- **Rollover Participants:** CEO and potentially other executive officers to roll over all outstanding common shares of Cheetah
- **Diligence/Timing:** 6 weeks to complete diligence
- **Key Employees:** Key employees (and Rollover participants) expected to enter into employment agreements prior to entering into a definitive agreement
- **Definitive Agreement:** Simple majority of outstanding common shares of Cheetah for approval and expect other principal shareholders to enter into support agreements with respect to the Lion acquisition
- **Lion Approvals:** Approval from board of directors will be required to execute definitive agreement, Lion shareholder approval will not be required
- **Interim Financing:** Lion has stated their willingness to provide interim financing prior to closing if required

## Review of Lion Offer – Implied Enterprise Value

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- Based upon \$3.17 per share offer price
- Analysis is based on most recent 10-Q capitalization structure

*\$ in thousands, except per share data*

<b>Purchase Price Consideration</b>	
Implied Value of All Common Stock Outstanding	\$50,235 - Based on 15,846,935 shares outstanding
RSU Value	\$2,314 - Based on 729,948 RSUs outstanding
Options value	\$0 - Based on 1,340,813 options all out of the money
Warrant Value	\$0
<b>Implied Total Equity Purchase Price</b>	<b>\$52,549</b>
Less: Cash 9/30	\$62,488
Plus: Debt and Debt-Like Items 9/30	\$103,000 - Consists of \$103.0 million of Lion Preferred Stock liquidation value a/o 9/30/2023
<b>Implied Enterprise Value</b>	<b>\$93,061</b>

# Preliminary M&A Premiums Paid Analysis

## Screening criteria:

- Deals completed or those announced since January 1, 2021 in the United States and Canada
- Deals that were 100% cash transactions acquiring greater than 50% of the Target Company
- Transaction sizes ranging from \$20 million to \$250 million
- Includes only Technology Company transactions
- 17 total transactions in analysis

Premiums Paid Analysis <sup>(1)</sup>				
	1-Day	1-Week	1-Month	3-Month
High	91.5%	93.5%	92.3%	92.6%
75th Percentile	57.0%	57.9%	53.2%	69.2%
Median	47.1%	42.9%	42.9%	46.3%
25th Percentile	23.8%	23.6%	13.2%	15.8%
Low	(4.3%)	(3.4%)	(39.8%)	(43.1%)
<b>Cheetah Closing Share Price</b>	\$3.02	\$3.80	\$3.00	\$4.50
<i>Date</i>	12/19/2023	12/12/2023	11/19/2023	9/19/2023
<i>Corresponding Premium <sup>(2)</sup></i>	5.0%	-16.6%	5.7%	-29.6%

Source: S&P Capital IQ as of 1/22/2024

(1) Represents 1 Day, 1 Week, 1 Month and 3 Month Spot Premium prior to Announcement Date of Transaction

(2) Corresponding premium based on \$3.17 per share offer price



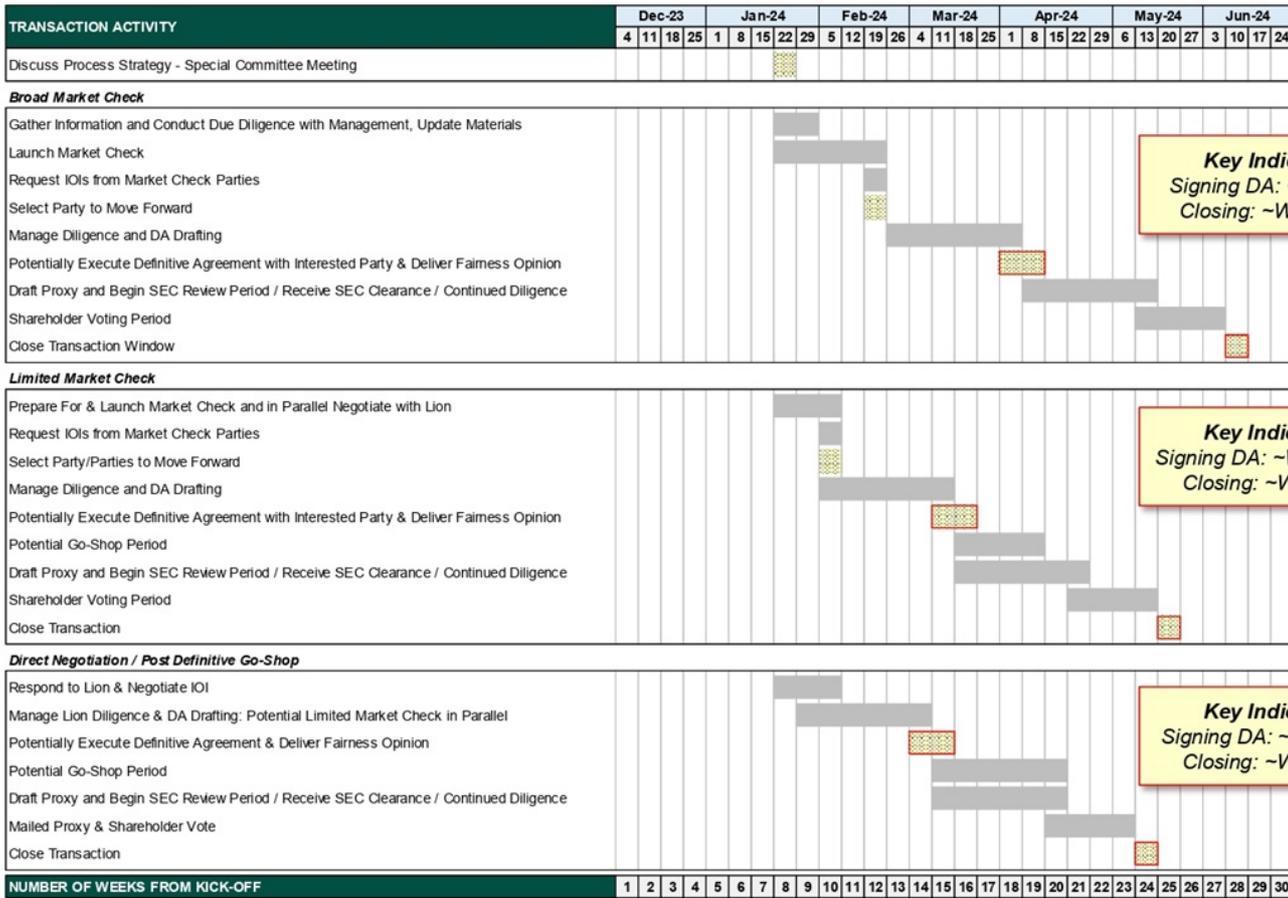
# Potential Process Alternatives

- There are a range of process options available to Cheetah and the Special Committee (“SC”)

	Broad Market Check	Limited Market Check	Direct Negotiation with Post-DA Go-Shop
<b>Overall Speed of Process</b>	<i>Longest</i>		<i>Quickest</i>
<b>Breadth of Outreach</b>	Up to 50+ Additional Potential Parties	Limited number (e.g. ~ 10) of Additional Potential Parties; Potential Go-Shop	Broad Post-DA Go-Shop
<b>Potential Time Provided to Additional Parties</b>	Approximately 30-35 Days to Reach IOI	Approximately 10-15 Days to Reach IOI pre-DA; Duration of Potential Go-Shop	Duration of Go-Shop
<b>Considerations</b>	Most comprehensive market check, but time consuming and potentially disruptive	Allows market check with believed high conviction buyers while negotiating with Lion; a Go-Shop provision would allow interested parties to continue doing work	Negotiate directly with Lion, possibly with a limited initial market check in parallel, with Go-Shop period post-DA as primary market check



# Potential Process Alternatives – Illustrative Timelines



**Key Indicative Dates**  
 Signing DA: ~Week of April 1  
 Closing: ~Week of June 10

**Key Indicative Dates**  
 Signing DA: ~Week of March 11  
 Closing: ~Week of May 20

**Key Indicative Dates**  
 Signing DA: ~Week of March 4  
 Closing: ~Week of May 13

# Discussion of Potential Response to Lion

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## Selected Response Considerations

- Price
- Timing of any Rollover / Employment & Incentive Agreements
- Diligence / Timing
- Shareholder Vote – Majority of the minority vs. Majority of all outstanding shares
- Potential Go-Shop Provision
- Regulatory Considerations – e.g. CFIUS
- Timing of Potential Customer Awards

\*\*\* indicates information has been omitted on the basis of a confidential treatment request pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended. This information has been filed separately with the Securities and Exchange Commission.

# Project Cheetah Special Committee Materials for Discussion

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February 13, 2024



# Agenda & Participants

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- **When:** Tuesday, February 13 – 9:00pm PT
- **Where:** Online Zoom Meeting
- **Attendees**
  - Special Committee
  - Cooley
  - Craig-Hallum

## Agenda Items

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- **Status Update**
- **Valuation Discussion**

# Project Cheetah Process Update Summary

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- Following the Jan 23rd Special Committee meeting, Craig-Hallum reached out to the 7 additional parties authorized

## Outreach Process

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- **5 Parties** - [\*\*\*], [\*\*\*], [\*\*\*], [\*\*\*], and [\*\*\*] - have passed
- **3 Parties** – [\*\*\*], [\*\*\*] and [\*\*\*] requested a call with the Craig-Hallum team to discuss, which were held on Jan 29, Jan 30 and Feb 6 respectively
- **2 Parties** - [\*\*\*] and [\*\*\*] requested NDAs. [\*\*\*] has provided a redline to the NDA to which to which we have responded. Neither NDA has yet been signed

<b>Contacted</b>	<b>Call with C-H Team</b>	<b>NDA Sent</b>	<b>NDA Signed</b>	<b>Passed</b>
[***]	[***]	[***]		[***]
[***]	[***]	[***]		[***]
[***]	[***]			[***]
[***]				[***]
[***]				[***]
[***]				[***]
[***]				[***]

# Discussion of Lion Offer – Implied Enterprise Value

- Overview of \$3.17 per share offer price
- Analysis is based on most recent share, RSU, PSU, option and Non-Qual data received from the Company as well as preliminary 12/31/23 balance sheet data provided by the Company

*\$ in thousands*

## Purchase Price Consideration

Implied Value of All Common Stock Outstanding	\$50,235	- Based on 15,846,935 shares outstanding
RSU Value	\$1,681	- Based on 530,164 RSUs outstanding
PSU Value	\$0	- All PSUs vest at \$150.00 per share
Options value	\$762	- Based on 349,439 options with \$1.00 strike price and 1,849 options with \$1.10 strike price <sup>1</sup>
Non-Qualified Stock	\$15	- Based on 7,347 non-qualified stock with \$1.10 strike price <sup>2</sup>
<b>Implied Total Equity Purchase Price</b>	<b>\$52,693</b>	
Less: Cash 12/31/2023	\$57,658	
Plus: Debt and Debt-Like Items 12/31/2023	\$104,087	- Consists of \$104.1 million of Lion Preferred Stock liquidation value a/o 12/31/2023
<b>Implied Enterprise Value</b>	<b>\$99,122</b>	

(1) Excludes 450,118 options with strike prices above \$3.17

(2) Excludes 315,060 non-qualified stock with strike prices above \$3.17



# Summary Valuation Observations

## IMPLIED CHEETAH VALUATION RANGES

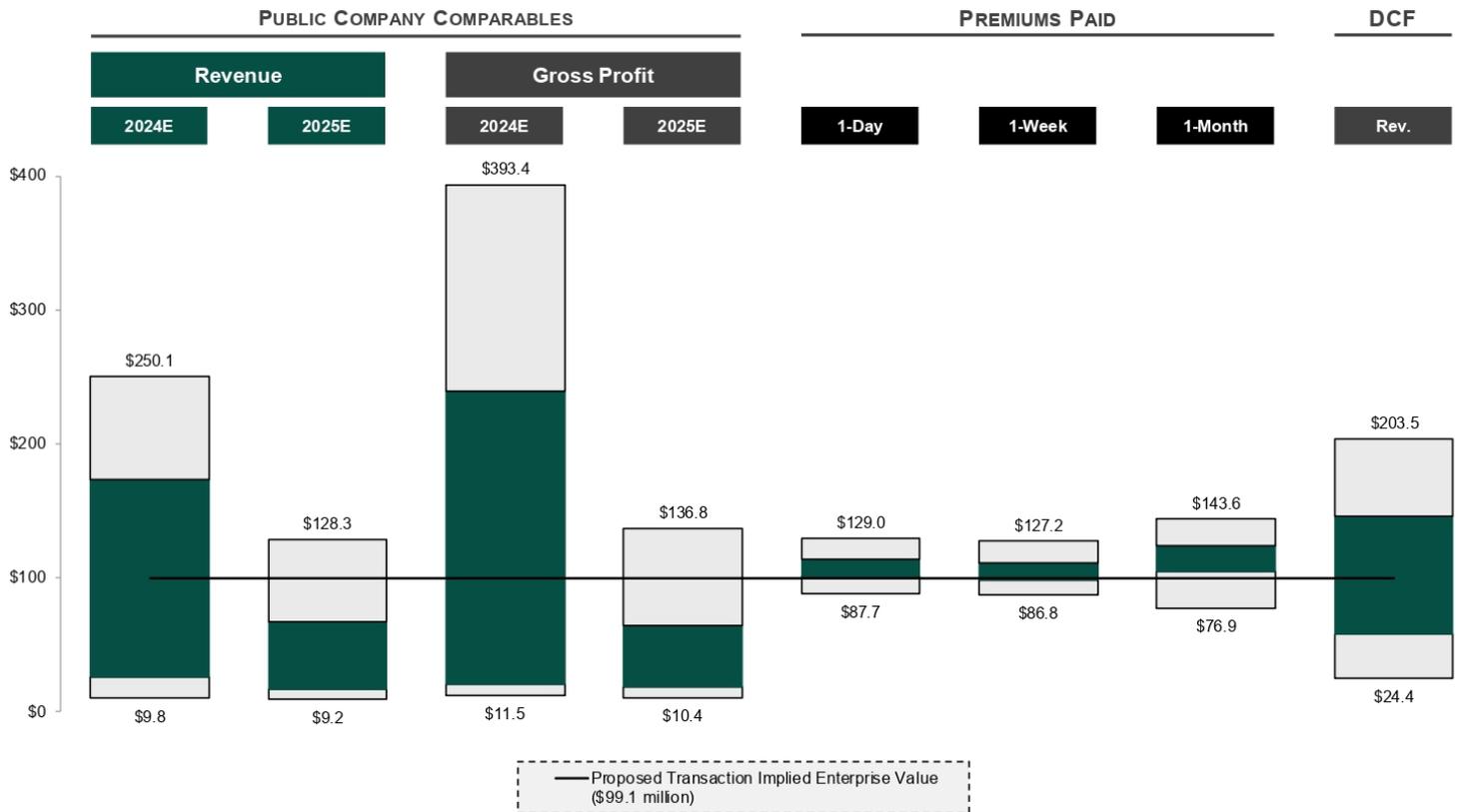
Comparable Public Companies	Target Metric Million (USD)	EV/ Multiples					Implied Enterprise Value (\$ millions)					Implied Share Price				
		Low	25th Percentile	Median	75th Percentile	High	Low	25th Percentile	Median	75th Percentile	High	Low	25th Percentile	Median	75th Percentile	High
		2024E Revenue	\$27.9	0.3 x	0.9 x	3.8 x	6.2 x	9.0 x	\$9.8	\$25.7	\$106.5	\$173.6	\$250.1	NM	NM	\$3.61
2025E Revenue	\$38.1	0.2 x	0.4 x	1.0 x	1.8 x	3.4 x	\$9.2	\$16.4	\$39.6	\$67.0	\$128.3	NM	NM	NM	\$1.23	\$4.92
2024E Gross Profit	\$11.0	1.0 x	1.8 x	18.8 x	21.7 x	35.7 x	\$11.5	\$19.9	\$207.7	\$239.1	\$393.4	NM	NM	\$9.70	\$11.59	\$20.87
2025E Gross Profit	\$15.1	0.7 x	1.2 x	2.6 x	4.3 x	9.1 x	\$10.4	\$18.1	\$39.8	\$64.4	\$136.8	NM	NM	NM	\$1.08	\$5.44
<b>Premiums Paid</b>																
Premiums Paid 1-Day	\$2.60	-4.3%	25.2%	41.9%	55.2%	91.5%	\$87.7	\$100.4	\$107.6	\$113.4	\$129.0	\$2.48	\$3.25	\$3.68	\$4.03	\$4.97
Premiums Paid 1-Week	\$2.51	-3.4%	24.3%	40.2%	54.8%	93.5%	\$86.8	\$98.3	\$104.9	\$111.0	\$127.2	\$2.43	\$3.12	\$3.52	\$3.89	\$4.86
Premiums Paid 1-Month	\$3.04	-39.8%	15.4%	41.9%	52.6%	92.3%	\$76.9	\$104.8	\$118.1	\$123.5	\$143.6	\$1.83	\$3.51	\$4.31	\$4.64	\$5.85
<b>Discounted Cash Flow</b>																
Terminal Revenue							\$24.4	\$57.8	\$97.9	\$145.9	\$203.5	NM	\$0.68	\$3.09	\$5.99	\$9.45

Source: S&P Capital IQ, Bloomberg, and SEC filings as of 2/12/2024  
 Premiums Paid metrics are as of 2/12/2014, not as of the offer date  
 Target metrics based on company financials provided by and approved for use by Company management



# Summary Valuation Observations – Enterprise Value

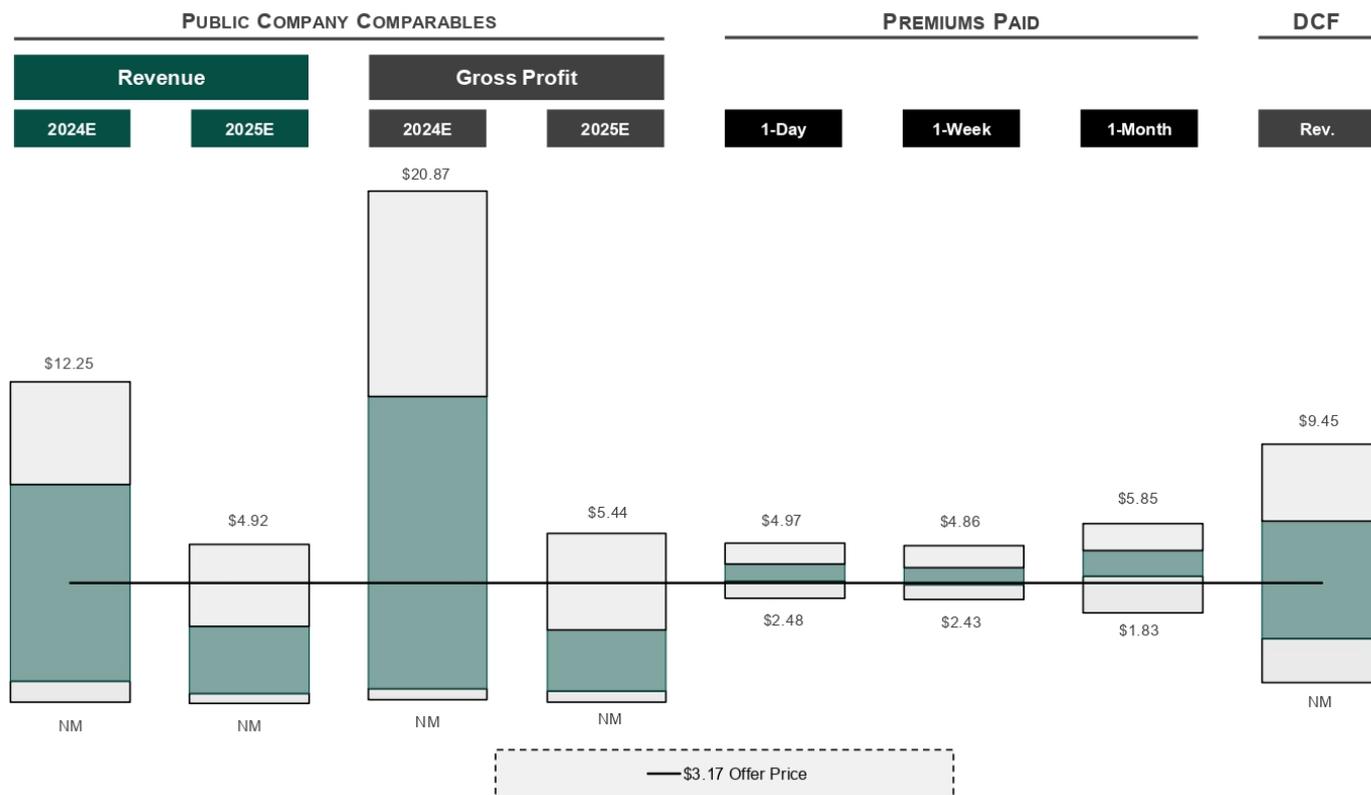
- The green bars represent the 25th to 75th percentile for each of the respective valuation methodologies



Source: S&P Capital IQ, Bloomberg, and SEC filings as of 2/12/2024

# Summary Valuation Observations – Share Price

- The green bars represent the 25th to 75th percentile for each of the respective valuation methodologies



NM deemed "Not Meaningful" due to stock prices representing negative figures

# Selected Comparable Public Companies Analysis

COMPARABLE COMPANY ANALYSIS														
\$ in millions, except per share data														
Company	Ticker	Stock Price	% of 52W High	Market Cap	Enterprise Value	LTM Multiples			2024E Multiples			2025E Multiples		
						Revenue	Gross Profit	Adj. EBITDA	Revenue	Gross Profit	Adj. EBITDA	Revenue	Gross Profit	Adj. EBITDA
Luminar Technologies, Inc.	LAZR	\$2.91	27.6%	\$1,285.9	\$1,586.4	27.0x	NM	NM	9.0x	NM	NM	3.4x	9.1x	NM
Hesai Group	HSAI	\$4.03	17.1%	\$541.1	\$145.5	0.6x	1.9x	NM	0.4x	1.0x	9.7x	0.2x	0.7x	2.1x
MicroVision, Inc.	MVIS	\$2.61	31.8%	\$519.7	\$437.5	NM	NM	NM	5.8x	18.8x	NA	1.5x	3.6x	NA
Innoviz Technologies Ltd.	INWZ	\$1.67	34.5%	\$299.6	\$133.4	17.7x	NM	NM	1.8x	21.7x	NM	0.5x	1.6x	NM
Aeva Technologies, Inc.	AEVA	\$1.07	53.5%	\$308.8	\$75.1	26.0x	NM	NM	6.4x	35.7x	NA	1.8x	4.5x	NA
Ouster, Inc.	OUST	\$5.40	32.3%	\$254.1	\$72.4	1.0x	12.0x	NM	0.6x	1.8x	NM	0.4x	1.0x	NM
AEye, Inc.	LDR	\$1.30	5.3%	\$9.1	(\$38.9)	NM	NM	NM	NM	NA	NA	NM	NM	NA
<b>High</b>				\$1,285.9	\$1,586.4	27.0x	12.0x	0.0x	9.0x	35.7x	9.7x	3.4x	9.1x	2.1x
<b>75th Percentile</b>				\$530.4	\$291.5	26.0x	9.5x	NA	6.2x	21.7x	9.7x	1.8x	4.3x	2.1x
<b>Median</b>				\$308.8	\$133.4	17.7x	7.0x	NA	3.8x	18.8x	9.7x	1.0x	2.6x	2.1x
<b>25th Percentile</b>				\$276.9	\$73.8	1.0x	4.4x	NA	0.9x	1.8x	9.7x	0.4x	1.2x	2.1x
<b>Low</b>				\$9.1	-\$38.9	0.6x	1.9x	0.0x	0.4x	1.0x	9.7x	0.2x	0.7x	2.1x
<b>Cheetah (based on offer price)</b>				\$52.7	\$99.1	7.8x	26.2x	NM	3.6x	9.0x	NM	2.6x	6.6x	NM

FINANCIAL ESTIMATES SUMMARY											
\$ in millions, except per share data											
Company	Ticker	LTM	2024E	2025E	LTM	2024E	2025E	LTM	2024E	2025E	2024E - 2025E
		Revenue	Revenue	Revenue	Gross Profit	Gross Profit	Gross Profit	Gross Margin	Gross Margin	Gross Margin	Rev. Growth
Luminar Technologies, Inc.	LAZR	\$58.8	\$177.0	\$470.7	(\$67.7)	\$29.9	\$175.1	-115%	17%	37%	166.0%
Hesai Group	HSAI	\$236.4	\$415.7	\$601.0	\$75.8	\$138.9	\$210.5	32%	33%	35%	44.6%
MicroVision, Inc.	MVIS	\$2.2	\$75.0	\$284.0	\$0.3	\$23.2	\$120.4	12%	31%	42%	278.7%
Innoviz Technologies Ltd.	INWZ	\$7.5	\$74.1	\$245.8	(\$11.9)	\$6.2	\$81.4	-158%	8%	33%	231.8%
Aeva Technologies, Inc.	AEVA	\$2.9	\$11.8	\$41.0	(\$8.1)	\$2.1	\$16.8	-282%	18%	41%	246.7%
Ouster, Inc.	OUST	\$69.8	\$115.2	\$183.1	\$6.0	\$40.0	\$69.0	9%	35%	38%	58.9%
AEye, Inc.	LDR	\$2.5	\$12.0	\$76.0	(\$9.2)	NA	\$14.4	-371%	NA	19%	533.3%
<b>High</b>		\$236.4	\$415.7	\$601.0	\$75.8	\$138.9	\$210.5	32%	35%	42%	533%
<b>75th Percentile</b>		\$64.3	\$146.1	\$377.3	\$3.1	\$37.5	\$147.8	10%	33%	39%	263%
<b>Median</b>		\$7.5	\$75.0	\$245.8	(\$8.1)	\$26.6	\$81.4	-115%	24%	37%	232%
<b>25th Percentile</b>		\$2.7	\$43.1	\$129.5	(\$10.5)	\$10.4	\$42.9	-220%	17%	34%	112%
<b>Low</b>		\$2.2	\$11.8	\$41.0	(\$67.7)	\$2.1	\$14.4	-371%	8%	19%	45%
<b>Cheetah</b>		\$12.7	\$27.9	\$38.1	\$3.8	\$11.0	\$15.1	30%	40%	40%	36%

Source: S&P Capital IQ as of 2/12/2024, enterprise values based on TSM diluted shares outstanding  
 "NM" (Not Meaningful) datapoints reflect negative multiples and any multiples >50x  
 "NA" (Not Applicable) datapoints reflect multiples in which consensus estimates are not available

# M&A Premiums Paid Analysis - Methodology

## Screening criteria:

- Deals completed or those announced since January 1, 2021 in the United States and Canada
- Deals that were 100% cash transactions acquiring greater than 50% of the Target Company
- Transaction equity value ranging from \$20 million to \$250 million
- Includes only Technology Company transactions
- 18 total transactions in analysis

### Premiums Paid – At Time of Offer (12/19/2023)<sup>1</sup>

#### Premiums Paid Analysis <sup>(1)</sup>

	1-Day	1-Week	1-Month
High	91.5%	93.5%	92.3%
75th Percentile	55.2%	54.8%	52.6%
Median	41.9%	40.2%	41.9%
25th Percentile	25.2%	24.3%	15.4%
Low	(4.3%)	(3.4%)	(39.8%)
<b>Cheetah Closing Share Price</b>	\$3.02	\$3.80	\$3.00
<i>Date</i>	12/19/2023	12/12/2023	11/19/2023
<i>Corresponding Premium <sup>(2)</sup></i>	5.0%	-16.6%	5.7%

#### Implied Price Per Share

Share price shown in USDs

	1-Day	1-Week	1-Month
High	\$5.78	\$7.35	\$5.77
75th Percentile	\$4.69	\$5.88	\$4.58
Median	\$4.29	\$5.33	\$4.26
25th Percentile	\$3.78	\$4.72	\$3.46
Low	\$2.89	\$3.67	\$1.81

### Premiums Paid – Current (2/12/2024)<sup>3</sup>

#### Premiums Paid Analysis <sup>(1)</sup>

	1-Day	1-Week	1-Month
High	91.5%	93.5%	92.3%
75th Percentile	55.2%	54.8%	52.6%
Median	41.9%	40.2%	41.9%
25th Percentile	25.2%	24.3%	15.4%
Low	(4.3%)	(3.4%)	(39.8%)
<b>Cheetah Closing Share Price</b>	\$2.60	\$2.51	\$3.04
<i>Date</i>	2/12/2024	2/5/2024	1/12/2024
<i>Corresponding Premium <sup>(2)</sup></i>	22.2%	26.3%	4.3%

#### Implied Price Per Share

Share price shown in USDs

	1-Day	1-Week	1-Month
High	\$4.97	\$4.86	\$5.85
75th Percentile	\$4.03	\$3.89	\$4.64
Median	\$3.68	\$3.52	\$4.31
25th Percentile	\$3.25	\$3.12	\$3.51
Low	\$2.48	\$2.43	\$1.83

Source: S&P Capital IQ as of 2/12/2024

- (1) Represents 1 Day, 1 Week, and 1 Month Spot Premium for respective reference prices at time of offer  
 (2) Represents premium to Cheetah closing price in respective time periods for the current \$3.17 offer price  
 (3) Represents 1 Day, 1 Week, and 1 Month Spot Premium prior to Current Stock Price as of 2/12/2024



CRAIG-HALLUM  
CAPITAL GROUP LLC

# Discounted Cash Flow Analysis – Summary & Sensitivity

\$ in millions

	2024P	2025P	2026P	2027P	2028P
<b>Operating Profit</b>	<b>(\$15.4)</b>	<b>(\$10.6)</b>	<b>(\$30.2)</b>	<b>(\$21.5)</b>	<b>\$6.5</b>
Less: Taxes @ 21.0% <sup>(1)</sup>	\$0.0	\$0.0	\$0.0	\$0.0	\$0.8
<b>NOPAT<sup>(2)</sup></b>	<b>(\$15.4)</b>	<b>(\$10.6)</b>	<b>(\$30.2)</b>	<b>(\$21.5)</b>	<b>\$7.3</b>
Plus: D&A	\$0.3	\$0.4	\$0.5	\$0.7	\$1.1
Less: CapEx	\$0.0	(\$0.8)	(\$0.7)	(\$1.4)	(\$2.8)
Less: Δ Net Working Capital <sup>(3)</sup>	(\$0.7)	(\$3.0)	\$0.4	(\$9.0)	(\$12.0)
<b>Unlevered Free Cash Flow</b>	<b>(\$15.8)</b>	<b>(\$13.9)</b>	<b>(\$30.0)</b>	<b>(\$31.3)</b>	<b>(\$6.3)</b>
<b>Discount @ 20.7%</b>					<b>(\$58.1)</b>
<b>PV of TV Revenue @ 2.5x</b>					<b>\$156.0</b>
<b>Implied Enterprise Value</b>					<b>\$97.9</b>

		Implied Enterprise Value							Implied Stock Price				
		Terminal Revenue Multiple							Terminal Revenue Multiple				
		1.50x	2.00x	2.50x	3.00x	3.50x			1.50x	2.00x	2.50x	3.00x	3.50x
WACC	15.7%	\$50.1	\$88.5	\$126.8	\$165.2	\$203.5	WACC	15.7%	\$0.22	\$2.53	\$4.84	\$7.14	\$9.45
	18.2%	\$42.3	\$76.8	\$111.4	\$145.9	\$180.5		18.2%	-\$0.25	\$1.83	\$3.91	\$5.99	\$8.06
	20.7%	\$35.5	\$66.7	\$97.9	\$129.1	\$160.2		20.7%	-\$0.66	\$1.22	\$3.09	\$4.97	\$6.85
	23.2%	\$29.6	\$57.8	\$86.0	\$114.2	\$142.4		23.2%	-\$1.01	\$0.68	\$2.38	\$4.08	\$5.78
	25.7%	\$24.4	\$50.0	\$75.6	\$101.2	\$126.7		25.7%	-\$1.32	\$0.21	\$1.75	\$3.29	\$4.83

Company financials provided by and approved for use by Company management  
Analysis does not reflect potential beneficial impact of accumulated net operating losses ("NOLs")

(1) Assumes 21.0% corporate tax rate

(2) "NOPAT" defined as net operating profit after taxes

(3) (As provided by and approved for use by Company management; Net Working Capital defined as the sum of Accounts Receivable, Inventory and Prepaid Expenses, less Accounts Payable and Accrued Expenses)



# Weighted Average Cost of Capital Calculation

## WACC CALCULATION

(\$ in millions)

	Comparable Public Companies						
	Hesai Group	Luminar Technologies, Inc.	MicroVision, Inc.	Innoviz Technologies Ltd.	Aeva Technologies, Inc.	Ouster, Inc.	AEye, Inc.
	HSAI	LAZR	MVIS	INVZ	AEVA	OUST	LIDR
Observed (Levered Beta) (a)	2.13	1.76	1.78	1.24	2.06	3.11	2.09
Adjusted Beta (b)	1.75	1.51	1.52	1.16	1.71	2.41	1.72
<b>Total Debt</b>	<b>\$48</b>	<b>\$625</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$45</b>	<b>\$0</b>
<b>Market Value of Equity</b>	<b>\$541</b>	<b>\$1,286</b>	<b>\$520</b>	<b>\$300</b>	<b>\$309</b>	<b>\$254</b>	<b>\$9</b>
<b>Total Capitalization</b>	<b>\$589</b>	<b>\$1,911</b>	<b>\$520</b>	<b>\$300</b>	<b>\$309</b>	<b>\$299</b>	<b>\$9</b>
Total Debt to Equity Ratio	8.9%	48.6%	0.0%	--	--	17.9%	--
Total Debt / Total Capitalization	8.2%	32.7%	0.0%	--	--	15.2%	--
Equity / Total Capitalization	91.8%	67.3%	100.0%	100.0%	100.0%	84.8%	100.0%
Assumed Tax Rate	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
<b>Unlevered Beta (c)</b>	<b>1.64</b>	<b>1.09</b>	<b>1.52</b>	<b>1.16</b>	<b>1.71</b>	<b>2.11</b>	<b>1.72</b>

### Cost of Equity - Capital Asset Pricing Model

Risk Free Rate (20-Year Treasury) (d)	4.1%
Market Risk Premium (e)	5.5%
Size Premium (f)	7.6%
Median Debt / Equity Ratio	0.0%
Median Unlevered Beta	1.64
Levered Beta	1.64
<b>Estimated Cost of Equity (g)</b>	<b>20.7%</b>

### Cost of Debt

Cost of Debt (h)	5.7%
<b>After-Tax Cost of Debt</b>	<b>4.5%</b>
Equity / Total Capitalization Ratio	100.0%
Total Debt / Total Capitalization Ratio	0.0%
<b>Weighted Average Cost of Capital (i)</b>	<b>20.7%</b>

### ASSUMPTIONS

- Observed beta (two year weekly per Bloomberg)
- Adjusted beta equals  $[(\text{levered beta}) * (2/3)] + [1/3]$
- Unlevered beta equals adjusted levered beta divided by the quantity  $[1 + (\text{the debt/equity ratio}) * (1 - \text{the tax rate})]$
- 10-year U.S. Treasury Note per Wall Street Journal
- Kroll Capital "Cost of Capital Module" as of 12/31/2023
- Kroll Capital "Cost of Capital Module" (defined as companies with market capitalization between \$1.6 million and \$97.4 million), 10B CRSP 10th Decile Breakdown
- Capital Asset Pricing Model;  $[(\text{the risk-free rate of return}) + [(\text{the equity risk premium}) * (\text{levered beta})] + [\text{the size premium}]$
- Based on estimated cost of debt (defined as Moody's Seasoned Baa Corporate Bond Yield) as of December 2023
- WACC equals  $[(\text{the cost of equity}) * (\text{the equity/capital ratio})] + [(\text{the cost of debt}) * (\text{the debt/total capital ratio}) * (1 - \text{the tax rate})]$

Source: Bloomberg and S&P Global Capital IQ of 2/12/2024



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# Appendix

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# Selected M&A Transactions Data

## COMPARABLE M&A TRANSACTIONS ANALYSIS

Announced	Status	Target	Buyer	Implied Enterprise Value	Implied EV/LTM Revenue	Implied EV/NTM Revenue	Implied EV/Y+2 Revenue	Implied EV/LTM Gross Profit	Implied EV/NTM Gross Profit	Implied EV/Y+2 Gross Profit
9/14/2022	Closed	Velodyne Lidar, Inc. <sup>(1)</sup>	Ouster, Inc.	\$2,151,289	0.0x	0.0x	0.0x	NM	0.2x	0.1x
9/14/2022	Closed	Ouster, Inc. <sup>(2)</sup>	Velodyne Lidar, Inc.	\$94,978,958	2.3x	1.5x	0.9x	7.5x	5.2x	3.5x
12/1/2022	Closed	Certain assets of Ibeo Automotive Systems GmbH <sup>(3)</sup>	MicroVision GmbH	\$15,740,000	NA	NA	NA	NA	NA	NA
10/5/2021	Closed	Sense Photonics, Inc. <sup>(4)</sup>	Ouster, Inc.	\$111,111,000	NA	NA	NA	NA	NA	NA
5/26/2019	Closed	First Sensor AG <sup>(5)</sup>	TE Connectivity Ltd.	\$339,489,698	1.8x	1.8x	1.7x	3.4x	NA	NA
		<b>High:</b>		\$339,489,698	2.3x	1.8x	1.7x	7.5x	5.2x	3.5x
		<b>75th Percentile:</b>		\$111,111,000	2.1x	1.6x	1.3x	6.5x	3.9x	2.7x
		<b>Median:</b>		\$94,978,958	1.8x	1.5x	0.9x	5.5x	2.7x	1.8x
		<b>25th Percentile:</b>		\$15,740,000	0.9x	0.7x	0.5x	4.5x	1.4x	0.9x
		<b>Low:</b>		\$2,151,289	0.0x	0.0x	0.0x	3.4x	0.2x	0.1x
		<b>Cheetah (based on offer price):</b>		\$99,121,598	7.8x	3.6x	2.6x	26.2x	9.0x	6.6x

(1) Valuation based on 194,919,551 shares of OUST stock issued at \$1.14 per share, less \$220.0 million of cash; NTM revenue and gross profit reflect management estimates for calendar year 2023E of \$61.1 million and \$11.1 million, respectively; Y+2 revenue and gross profit reflect management estimates for calendar year 2024E of \$95.3 million and \$30.2 million, respectively; analysis does not take into consideration dilutive securities rolled in transaction

(2) Valuation based on 184,495,557 shares outstanding at time of merger announcement at \$1.14 per share, less \$115.3 million of net cash; NTM revenue and gross profit reflect management estimates for calendar year 2023E of \$65.3 million and \$18.4 million, respectively; Y+2 revenue and gross profit reflect management estimates for calendar year 2024E of \$104.5 million and \$27.0 million, respectively; analyses does not take into consideration dilutive securities outstanding at time of merger announcement

(3) Purchase price of €15.0 million, converted at a EUR-USD spot rate of 1.05

(4) Based on 11.1 million shares issued to Sense Photonics of OUST stock at \$10.01 per share, inclusive of 0.5 million vested options and 1.6 million share earn out; exclusive of 4.8 million RSUs issued to Sense Photonics employees

(5) Implied enterprise value based on TE Connectivity investment equal to 71.87% pro forma ownership, acquiring 7,380,905 shares in First Sensor at a price of €28.25 per share, plus net debt of €16.7 million; converted at a EUR-USD spot rate of 1.11

- NTM revenue reflects consensus estimates at announcement for calendar year 2019E of \$187.1 million; Y+2 revenue reflects consensus estimates at announcement for calendar year 2020E of \$200.6 million; analyses does not take into consideration dilutive securities outstanding at time of merger announcement

Source: S&P Capital IQ as of 2/12/2024, SEC Edgar Filings



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# Summary of Impact of Varying Potential Offer Prices

Current Stock Price	\$2.60
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Current Offer Price	\$3.17
Current 1-Day Premium	22%

Current Shares Outstanding	15,846,935
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Dilutive Securities Outstanding	775,375
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<b>Total Shares Outstanding</b>	<b>16,622,310</b>
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Koito Ownership	1,962,474
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<b>Non-Koito Shares</b>	<b>14,659,836</b>
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	<u>\$3.17</u>	<u>\$3.20</u>	<u>\$3.25</u>	<u>\$3.30</u>	<u>\$3.35</u>	<u>\$3.40</u>	<u>\$3.45</u>	<u>\$3.50</u>	<u>\$3.55</u>
Incremental Cash Required from Koito	\$0	\$439,795	\$1,172,787	\$1,905,779	\$2,638,770	\$3,371,762	\$4,104,754	\$4,837,746	\$5,570,738
1-Day Premium	22%	23%	25%	27%	29%	31%	33%	35%	37%

	<u>\$3.60</u>	<u>\$3.65</u>	<u>\$3.70</u>	<u>\$3.75</u>	<u>\$3.80</u>	<u>\$3.85</u>	<u>\$3.90</u>	<u>\$3.95</u>	<u>\$4.00</u>
Incremental Cash Required from Koito	\$6,303,729	\$7,036,721	\$7,769,713	\$8,502,705	\$9,235,697	\$9,968,688	\$10,701,680	\$11,434,672	\$12,167,664
1-Day Premium	38%	40%	42%	44%	46%	48%	50%	52%	54%

Source: Koito shares held based on S&P Capital IQ as of 2/12/2024



# Project Cheetah Special Committee Materials for Discussion

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June 26, 2024



## Discussion of Lion Offer – Implied Enterprise Value

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- Analysis is based on most recent share, RSU, PSU, option and Non-Qual data received from the Company as well as 5/31/2024 balance sheet data provided by the Company

### Purchase Price Consideration

#### \$3.17 Offer Price

Implied Value of All Common Stock Outstanding	\$50,856	- Based on 16,042,811 shares outstanding
RSU Value	\$4,278	- Based on 1,349,426 RSUs outstanding
PSU Value	\$21	- Based on 6,700 RSUs outstanding
Options value	\$755	- Based on 345,939 options with \$1.00 strike price and 1,849 options with \$1.10 strike price
Non-Qualified Stock	\$15	- Based on 7,347 non-qualified stock with \$1.10 strike price
<b>Implied Total Equity Purchase Price</b>	<b>\$55,924</b>	
Less: Cash 5/31/2024	\$54,452	
Plus: Debt and Debt-Like Items 5/31/2024	\$105,938	- Consists of \$105.9 million of Lion Preferred Stock liquidation value a/o 5/31/2023
<b>Implied Enterprise Value</b>	<b>\$107,410</b>	

# Summary Valuation Observations

## IMPLIED CEPTON VALUATION RANGES

Comparable Public Companies	Target Metric Million (USD)	EV/ Multiples					Implied Enterprise Value (\$ millions)					Implied Share Price				
		Low	25th Percentile	Median	75th Percentile	High	Low	25th Percentile	Median	75th Percentile	High	Low	25th Percentile	Median	75th Percentile	High
2024E Revenue	\$28.2	0.6 x	0.7 x	2.8 x	9.9 x	17.2 x	\$17.2	\$19.6	\$77.9	\$278.6	\$483.1	NM	NM	\$1.49	\$12.88	\$24.47
2025E Revenue	\$41.2	0.2 x	0.4 x	1.8 x	3.9 x	4.7 x	\$6.5	\$17.0	\$75.3	\$159.4	\$195.3	NM	NM	\$1.35	\$6.12	\$8.15
2024E Gross Profit	\$12.4	1.7 x	3.2 x	4.6 x	6.1 x	7.5 x	\$21.4	\$39.5	\$57.5	\$75.5	\$93.5	NM	NM	\$0.34	\$1.36	\$2.38
2025E Gross Profit	\$17.5	1.0 x	1.2 x	4.7 x	9.1 x	22.2 x	\$18.4	\$20.9	\$82.9	\$160.3	\$389.0	NM	NM	\$1.78	\$6.17	\$19.13
<b>Premiums Paid</b>																
Premiums Paid 1-Day	\$2.54	-4.3%	22.5%	40.2%	57.1%	91.5%	\$94.4	\$106.4	\$114.3	\$121.9	\$137.3	\$2.43	\$3.11	\$3.56	\$3.99	\$4.86
Premiums Paid 1-Week	\$2.50	-3.4%	23.3%	42.9%	52.8%	93.5%	\$94.1	\$105.9	\$114.5	\$118.9	\$136.8	\$2.42	\$3.08	\$3.57	\$3.82	\$4.84
Premiums Paid 1-Month	\$2.56	-39.8%	20.4%	41.0%	57.0%	214.3%	\$78.7	\$105.9	\$115.1	\$122.4	\$193.4	\$1.54	\$3.08	\$3.61	\$4.02	\$8.05
<b>Discounted Cash Flow</b>																
Terminal Revenue							\$20.8	\$54.5	\$94.5	\$142.0	\$198.4	NM	\$0.48	\$2.81	\$5.58	\$8.89

"NM" (Not Meaningful) datapoints reflect negative implied share prices

Source: S&P Capital IQ, Bloomberg, and SEC filings as of 6/25/2024

Target metrics based on the Company financials provided by and approved for use by Cepton management

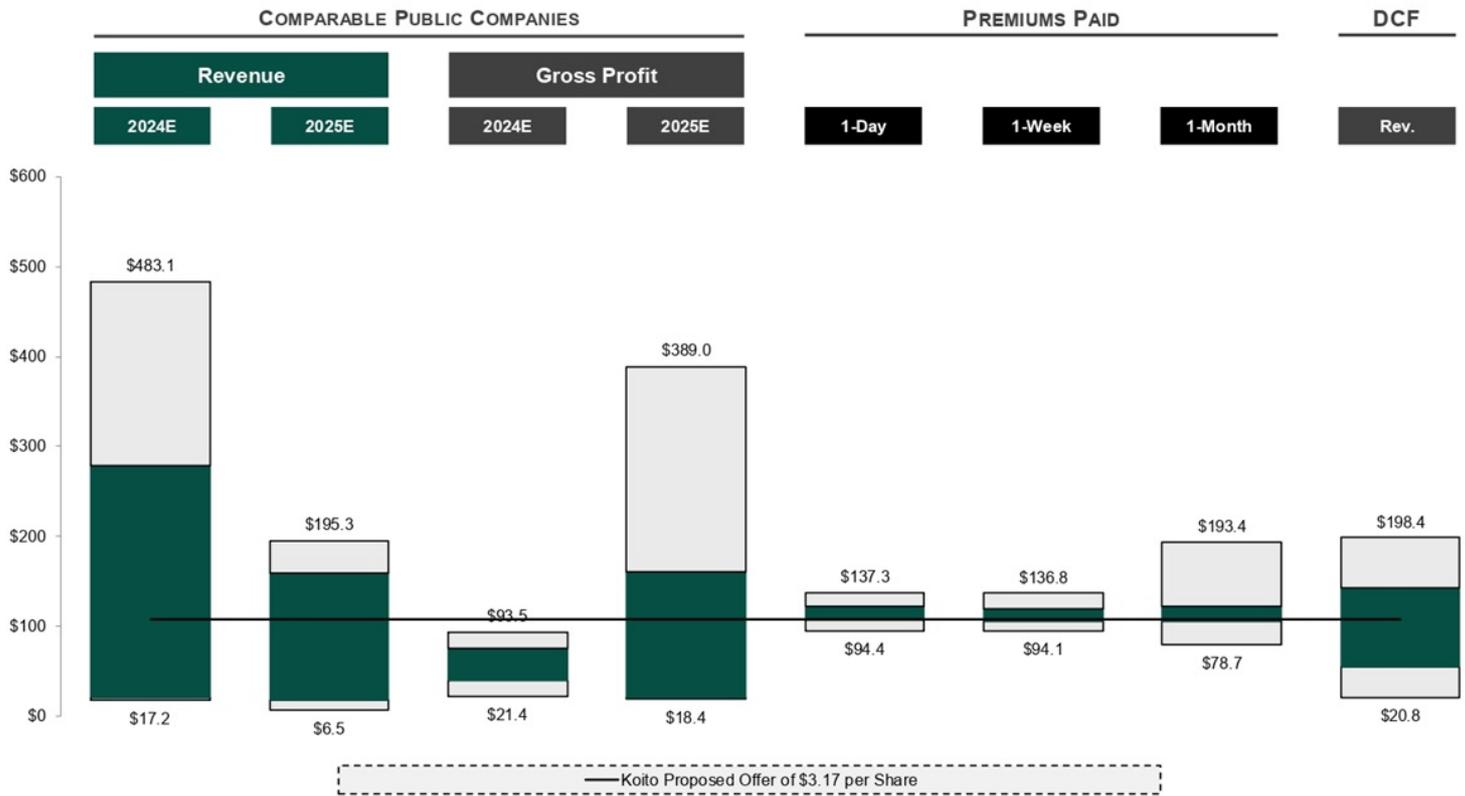
Implied enterprise value and implied share prices are based on 17.6 million fully diluted shares outstanding, \$105.9 million of debt, and \$54.5 million of cash and equivalents and restricted cash



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# Summary Valuation Observations – Enterprise Value

- The green bars represent the 25th to 75th percentile for each of the respective valuation methodologies



Source: S&P Capital IQ, Bloomberg, and SEC filings as of 6/25/2024

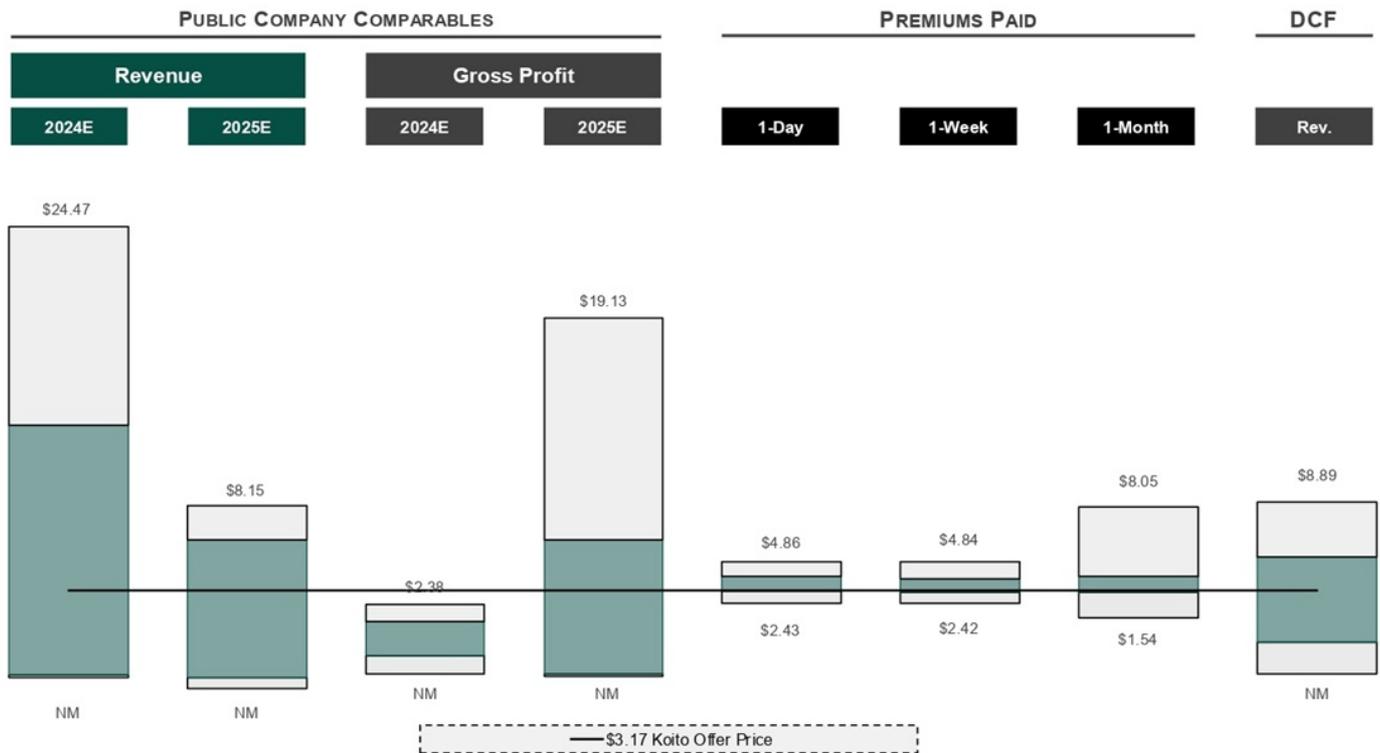
Target metrics based on the Company financials provided by and approved for use by Cepton management

Implied enterprise value and implied share prices are based on 17.6 million fully diluted shares outstanding, \$105.9 million of debt, and \$54.5 million of cash and equivalents and restricted cash



# Summary Valuation Observations – Share Price

- The green bars represent the 25th to 75th percentile for each of the respective valuation methodologies



"NM" (Not Meaningful) datapoints reflect negative implied share prices

**Source:** S&P Capital IQ, Bloomberg, and SEC filings as of 6/25/2024  
 Target metrics based on the Company financials provided by and approved for use by Cepton management  
 Implied enterprise value and implied share prices are based on 17.6 million fully diluted shares outstanding, \$105.9 million of debt, and \$54.5 million of cash and equivalents and restricted cash



# Selected Comparable Public Companies Analysis

## COMPARABLE COMPANY ANALYSIS

\$ in millions, except per share data

Company	Ticker	Stock Price	Market Cap	Enterprise Value	LTM Multiples		2024E Multiples		2025E Multiples	
					Revenue	Gross Profit	Revenue	Gross Profit	Revenue	Gross Profit
Luminar Technologies, Inc.	LAZR	\$1.34	\$654.4	\$1,059.4	13.9x	NM	9.9x	NA	4.7x	22.2x
Hesai Group	HSAI	\$4.19	\$551.9	\$226.9	0.9x	2.6x	0.6x	1.7x	0.4x	1.2x
MicroVision, Inc.	MVIS	\$1.02	\$220.2	\$145.1	19.5x	36.9x	17.2x	NM	3.9x	9.1x
Aeva Technologies, Inc.	AEVA	\$2.53	\$152.4	(\$36.9)	NM	NM	NM	NA	NM	NM
Innoviz Technologies Ltd.	INVZ	\$0.86	\$152.3	\$21.4	0.8x	NM	0.7x	NA	0.2x	1.0x
Ouster, Inc.	OUST	\$9.48	\$466.7	\$322.6	3.5x	18.5x	2.8x	7.5x	1.8x	4.7x
AEye, Inc.	LDR	\$1.90	\$15.2	(\$18.4)	NM	NM	NM	NA	NM	NA
<b>High</b>			\$654.4	\$1,059.4	19.5x	36.9x	17.2x	7.5x	4.7x	22.2x
<b>75th Percentile</b>			\$509.3	\$274.7	13.9x	27.7x	9.9x	6.1x	3.9x	9.1x
<b>Median</b>			\$220.2	\$145.1	3.5x	18.5x	2.8x	4.6x	1.8x	4.7x
<b>25th Percentile</b>			\$152.4	\$1.5	0.9x	10.5x	0.7x	3.2x	0.4x	1.2x
<b>Low</b>			\$15.2	-\$36.9	0.8x	2.6x	0.6x	1.7x	0.2x	1.0x

## FINANCIAL ESTIMATES SUMMARY

\$ in millions, except per share data

Company	Ticker	LTM	2024E	2025E	LTM	2024E	2025E	LTM	2024E	2025E	2024E - 2025E
		Revenue	Revenue	Revenue	Gross Profit	Gross Profit	Gross Profit	Gross Margin	Gross Margin	Gross Margin	Rev. Growth
Luminar Technologies, Inc.	LAZR	\$76.2	\$107.1	\$223.5	(\$68.5)	NA	\$47.8	-90%	NA	21%	108.7%
Hesai Group	HSAI	\$250.1	\$371.3	\$550.0	\$88.4	\$131.3	\$190.7	35%	35%	35%	48.1%
MicroVision, Inc.	MVIS	\$7.4	\$8.5	\$37.5	\$3.9	\$1.5	\$15.9	53%	17%	42%	343.5%
Aeva Technologies, Inc.	AEVA	\$5.3	\$6.8	\$20.1	(\$5.9)	NA	\$2.3	-112%	NA	12%	193.8%
Innoviz Technologies Ltd.	INVZ	\$26.9	\$30.8	\$134.8	(\$9.0)	NA	\$20.4	-33%	NA	15%	338.1%
Ouster, Inc.	OUST	\$92.0	\$116.7	\$176.5	\$17.5	\$42.8	\$68.3	19%	37%	39%	51.3%
AEye, Inc.	LDR	\$0.8	\$1.6	\$5.5	(\$6.7)	NA	\$0.0	-790%	NA	0%	243.8%
<b>High</b>		\$250.1	\$371.3	\$550.0	\$88.4	\$131.3	\$190.7	53%	37%	42%	343%
<b>75th Percentile</b>		\$84.1	\$111.9	\$200.0	\$10.7	\$87.0	\$58.0	27%	36%	37%	291%
<b>Median</b>		\$26.9	\$30.8	\$134.8	(\$5.9)	\$42.8	\$20.4	-33%	35%	21%	194%
<b>25th Percentile</b>		\$6.4	\$7.6	\$28.8	(\$7.8)	\$22.1	\$9.1	-101%	26%	13%	80%
<b>Low</b>		\$0.8	\$1.6	\$5.5	(\$68.5)	\$1.5	\$0.0	-790%	17%	0%	48%

Source: SEC filings, financial estimates and stock price based on S&P Capital IQ, enterprise values based on TSM diluted shares outstanding, as of 6/25/2024

"NM" (Not Meaningful) datapoints reflect negative multiples, any revenue multiples >25x, and any gross profit multiples >50x

"NA" (Not Applicable) datapoints reflect multiples in which consensus estimates are not available



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# M&A Premiums Paid Analysis - Methodology

## Screening criteria:

- Deals completed or those announced but have not closed since January 1, 2021 in the United States and Canada
- Deals that were 100% cash transactions acquiring greater than 50% of the target company
- Transaction equity value ranging from \$20 million to \$250 million
- Includes only technology company transactions

## 23 total transactions in analysis

Premiums Paid – Current (6/25/2024) <sup>1</sup>			
Premiums Paid Analysis			
	1-Day	1-Week	1-Month
High	91.5%	93.5%	214.3%
75th Percentile	57.1%	52.8%	57.0%
Median	40.2%	42.9%	41.0%
25th Percentile	22.5%	23.3%	20.4%
Low	(4.3%)	(3.4%)	(39.8%)
<b>Cepton Closing Share Price</b>	\$2.54	\$2.50	\$2.56
<i>Date</i>	6/25/2024	6/18/2024	5/25/2024
<b>\$3.17 Corresponding Premium<sup>2</sup></b>	<b>24.8%</b>	<b>26.8%</b>	<b>23.8%</b>
Implied Price Per Share			
<i>Share price shown in USDs</i>			
	1-Day	1-Week	1-Month
High	\$4.86	\$4.84	\$8.05
75th Percentile	\$3.99	\$3.82	\$4.02
Median	\$3.56	\$3.57	\$3.61
25th Percentile	\$3.11	\$3.08	\$3.08
Low	\$2.43	\$2.42	\$1.54

Source: S&P Capital IQ as of 6/25/2024

(1) Represents 1 Day, 1 Week, and 1 Month Spot Prices as of 6/25/2024

(2) Represents premium to Cepton closing price in respective time periods for the current \$3.17 offer price



# Discounted Cash Flow Analysis – Summary & Sensitivity

\$ in millions

	2024P <sup>1</sup>	2025P	2026P	2027P	2028P
<b>Operating Profit</b>	<b>(\$11.7)</b>	<b>(\$4.7)</b>	<b>(\$29.4)</b>	<b>(\$21.0)</b>	<b>\$7.6</b>
Less: Taxes @ 29.8% <sup>2</sup>	\$0.0	\$0.0	\$0.0	\$0.0	(\$2.3)
<b>NOPAT<sup>3</sup></b>	<b>(\$11.7)</b>	<b>(\$4.7)</b>	<b>(\$29.4)</b>	<b>(\$21.0)</b>	<b>\$5.3</b>
Plus: D&A	\$0.3	\$0.4	\$0.5	\$0.7	\$1.2
Plus: Koito Claim	\$18.0				
Less: CapEx	\$0.0	(\$0.8)	(\$0.6)	(\$1.5)	(\$2.9)
Less: Δ Net Working Capital <sup>4</sup>	(\$2.1)	(\$3.5)	\$0.8	(\$10.7)	(\$12.1)
<b>Unlevered Free Cash Flow</b>	<b>\$4.5</b>	<b>(\$8.7)</b>	<b>(\$28.7)</b>	<b>(\$32.4)</b>	<b>(\$8.5)</b>
<b>Discount @ 21.4%</b>					<b>(\$40.0)</b>
<b>PV of TV Revenue @ 2.0x</b>					<b>\$134.5</b>
<b>Implied Enterprise Value</b>					<b>\$94.5</b>
<b>Plus: Cash &amp; Equivalents, Restricted Cash</b>					<b>\$54.5</b>
<b>Less: Debt<sup>5</sup></b>					<b>\$105.9</b>
<b>Implied Equity Value</b>					<b>\$43.0</b>
<b>Fully Diluted Shares Outstanding</b>					<b>17.6</b>
<b>Equity Value per Share</b>					<b>\$2.44</b>
<b>Plus: NOL Impact</b>					<b>\$0.37</b>
<b>Equity Value per Share</b>					<b>\$2.81</b>

		Implied Enterprise Value							Implied Stock Price				
		Terminal Revenue Multiple							Terminal Revenue Multiple				
		1.00x	1.50x	2.00x	2.50x	3.00x			1.00x	1.50x	2.00x	2.50x	3.00x
WACC	16.4%	\$35.7	\$76.4	\$117.0	\$157.7	\$198.4	WACC	16.4%	-\$0.33	\$1.97	\$4.28	\$6.58	\$8.89
	18.9%	\$31.2	\$68.1	\$105.1	\$142.0	\$179.0		18.9%	-\$0.70	\$1.40	\$3.49	\$5.58	\$7.68
	21.4%	\$27.3	\$60.9	\$94.5	\$128.2	\$161.8		21.4%	-\$1.00	\$0.90	\$2.81	\$4.72	\$6.62
	23.9%	\$23.8	\$54.5	\$85.2	\$115.8	\$146.5		23.9%	-\$1.26	\$0.48	\$2.21	\$3.95	\$5.69
	26.4%	\$20.8	\$48.9	\$76.9	\$104.9	\$132.9		26.4%	-\$1.48	\$0.11	\$1.69	\$3.28	\$4.87

Financials provided by and approved for use by Cepton management

(1) Assumes transaction date of 6/25/2024

(2) Assumes 21.0% federal tax rate and 8.8% state tax rate, per Cepton

(3) "NOPAT" defined as net operating profit after taxes

(4) As provided by and approved for use by Cepton management; Net Working Capital defined as the sum of Accounts Receivable, Inventory and Prepaid

Expenses, less Accounts Payable and Accrued Expenses

(5) Debt includes convertible preferred stock



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# Accumulated Net Operating Losses (“NOL”) Valuation

State and Federal NOL Valuation																											
in millions	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
EBIT	\$ (11.7)	\$ (4.7)	\$ (29.4)	\$ (21.0)	\$ 7.6	\$ 8.3	\$ 9.0	\$ 9.8	\$ 10.7	\$ 11.7	\$ 12.0	\$ 12.4	\$ 12.8	\$ 13.2	\$ 13.6	\$ 13.8	\$ 14.1	\$ 14.4	\$ 14.7	\$ 15.0	\$ 15.3	\$ 15.6	\$ 15.9	\$ 16.2	\$ 16.5	\$ 16.9	\$ 17.2
Total other income (expense)	(6.2)	(1.7)	(0.8)	(0.6)	(1.0)	1.5	1.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
EBT	(17.8)	(6.4)	(30.2)	(21.6)	6.6	9.8	10.5	12.8	13.7	14.7	15.0	15.4	15.8	16.2	16.6	16.8	17.1	17.4	17.7	18.0	18.3	18.6	18.9	19.2	19.5	19.9	20.2
Federal Tax (21.0%)	-	-	-	-	1.4	2.1	2.2	2.7	2.9	3.1	3.2	3.2	3.3	3.4	3.5	3.5	3.6	3.7	3.7	3.8	3.8	3.9	4.0	4.0	4.1	4.2	4.2
State Tax (8.8%)	-	-	-	-	0.6	0.9	0.9	1.1	1.2	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.7	1.7	1.7	1.8	1.8
<b>NOL Analysis</b>																											
Federal Beginning Bal.	\$ 166.8	\$ 184.7	\$ 191.1	\$ 221.3	\$ 242.8	\$ 237.6	\$ 229.7	\$ 221.3	\$ 211.0	\$ 200.1	\$ 188.3	\$ 176.3	\$ 163.9	\$ 151.3	\$ 138.4	\$ 125.1	\$ 111.7	\$ 98.0	\$ 84.1	\$ 69.9	\$ 55.6	\$ 40.9	\$ 26.1	\$ 11.0	\$ -	\$ -	\$ -
Federal Offset	-	-	-	-	5.3	7.8	8.4	10.3	11.0	11.8	12.0	12.3	12.6	12.9	13.2	13.5	13.7	13.9	14.1	14.4	14.6	14.9	15.1	11.0	-	-	-
Federal NOLs set to Expire	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Remaining	184.7	191.1	221.3	242.8	237.6	229.7	221.3	211.0	200.1	188.3	176.3	163.9	151.3	138.4	125.1	111.7	98.0	84.1	69.9	55.6	40.9	26.1	11.0	-	-	-	-
Taxes Shielded	-	-	-	-	1.1	1.8	1.8	2.2	2.3	2.5	2.5	2.6	2.7	2.7	2.8	2.8	2.9	2.9	3.0	3.0	3.1	3.1	3.2	2.3	-	-	-
PV of Taxes Shielded (WACC @ 21%)	-	-	-	-	0.5	0.6	0.5	0.5	0.4	0.4	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	-	-	\$ 4.76
State Beginning Bal.	\$ 50.9	\$ 68.8	\$ 75.1	\$ 105.3	\$ 126.9	\$ 121.6	\$ 113.8	\$ 105.4	\$ 95.1	\$ 84.1	\$ 72.4	\$ 60.3	\$ 48.0	\$ 35.4	\$ 22.5	\$ 9.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Offset	-	-	-	-	5.3	7.8	8.4	10.3	11.0	11.8	12.0	12.3	12.6	12.9	13.2	13.5	13.7	13.9	14.1	14.4	14.6	14.9	15.1	11.0	-	-	\$ 126.9
State Remaining	68.8	75.1	105.3	126.9	121.6	113.8	105.4	95.1	84.1	72.4	60.3	48.0	35.4	22.5	9.2	-	-	-	-	-	-	-	-	-	-	-	-
Taxes Shielded	-	-	-	-	0.5	0.7	0.7	0.9	1.0	1.0	1.1	1.1	1.1	1.1	1.2	0.8	-	-	-	-	-	-	-	-	-	-	-
PV of Taxes Shielded (WACC @ 21%)	-	-	-	-	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.0	-	-	-	-	-	-	-	-	-	-	\$ 1.76

Federal NOLs utilized

\$242.8

Present value of utilized federal NOLs

\$4.76

State NOLs utilized

\$126.9

Present value of utilized state NOLs

\$1.76

Total present value of NOLs

\$6.51

Total present value of NOLs per share

\$0.37

Source: NOL balances provided by Cepton management

Federal and state tax rates of 21.0% and 8.8%, respectively, provided by management. Craig-Hallum did not provide any calculation or analysis regarding the valuation or availability of the NOLs nor the annual benefit limitation, to which was 80% of annual EBIT as provided by management. EBIT growth estimate of 9% annually from 2029-2033, 3% annually 2034-2038, and 2% annual 2039 and on; and other income (expense) provided by Cepton management on 2/15/2024



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# Appendix

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# Weighted Average Cost of Capital Calculation

## WACC CALCULATION

(\$ in millions)

	Comparable Public Companies						
	Luminar Technologies,	Hesai Group	MicroVision, Incoviz Technologies	Avista Technologies, Inc.	Ouster, Inc.	AEye, Inc.	
	LAZR	HSAI	MVIS	INVZ	AEVA	OUST	LIDR
Observed (Levered Beta) (a)	2.68	1.49	1.94	2.40	2.35	2.84	2.13
Adjusted Beta (b)	2.12	1.33	1.63	1.94	1.90	2.23	1.75
<b>Total Debt</b>	<b>\$625</b>	<b>\$71</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$45</b>	<b>\$0</b>
<b>Market Value of Equity</b>	<b>\$654</b>	<b>\$552</b>	<b>\$220</b>	<b>\$152</b>	<b>\$152</b>	<b>\$467</b>	<b>\$15</b>
<b>Total Capitalization</b>	<b>\$1,279</b>	<b>\$623</b>	<b>\$220</b>	<b>\$152</b>	<b>\$152</b>	<b>\$512</b>	<b>\$15</b>
Total Debt to Equity Ratio	95.5%	12.9%	--	--	--	9.7%	--
Total Debt / Total Capitalization	48.9%	11.4%	--	--	--	8.9%	--
Equity / Total Capitalization	51.1%	88.6%	100.0%	100.0%	100.0%	91.1%	100.0%
Assumed Tax Rate	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
<b>Unlevered Beta (c)</b>	<b>1.21</b>	<b>1.20</b>	<b>1.63</b>	<b>1.94</b>	<b>1.90</b>	<b>2.07</b>	<b>1.75</b>

### Cost of Equity - Capital Asset Pricing Model

Risk Free Rate (20-Year Treasury) (d)	4.1%
Market Risk Premium (e)	5.5%
Size Premium (f)	7.6%
Median Debt / Equity Ratio	0.0%
Median Unlevered Beta	1.75
Levered Beta	1.75
<b>Estimated Cost of Equity (g)</b>	<b>21.4%</b>

### Cost of Debt

Cost of Debt (h)	5.8%
<b>After-Tax Cost of Debt</b>	<b>4.6%</b>
Equity / Total Capitalization Ratio	100.0%
Total Debt / Total Capitalization Ratio <sup>1</sup>	0.0%
<b>Weighted Average Cost of Capital (i)</b>	<b>21.4%</b>

### ASSUMPTIONS

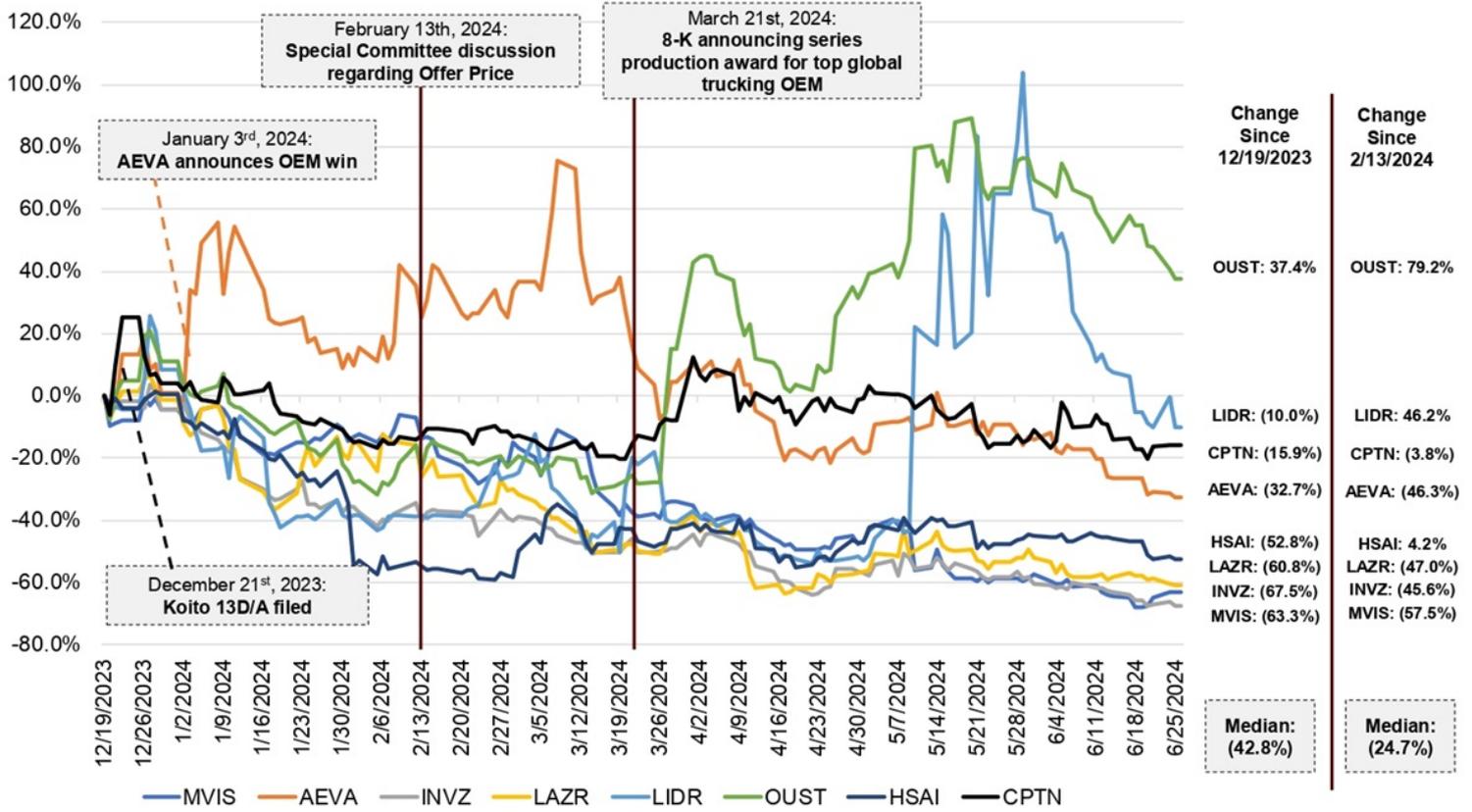
- Observed beta (two year weekly per Bloomberg)
- Adjusted beta equals [(levered beta) \* (2/3)] + [1/3]
- Unlevered beta equals adjusted levered beta divided by the quantity [1 + (the debt/equity ratio) \* (1 - the tax rate)]
- 10-year U.S. Treasury Note per Wall Street Journal
- Kroll Capital "Cost of Capital Module" as of 12/31/2023
- Kroll Capital "Cost of Capital Module" (defined as companies with market capitalization between \$1.6 million and \$97.4 million), 10B CRSP 10th Decile Breakdown
- Capital Asset Pricing Model; [(the risk-free rate of return) + [(the equity risk premium) \* (levered beta)] + [the size premium]
- Based on estimated cost of debt (defined as Moody's Seasoned Baa Corporate Bond Yield) as of June 2024
- WACC equals [(the cost of equity) \* (the equity/capital ratio)] + [(the cost of debt) \* (the debt/total capital ratio) \* (1 - the tax rate)]

Source: Bloomberg and S&P Global Capital IQ of 6/25/2024

(1) Based on median total debt / total capitalization ratio of comparable companies



# Summary Stock Comparison



Source: S&P Capital IQ as of market close on 6/25/2024

# Presentation to the Special Committee of the Board of Directors

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July 28, 2024



# Understandings

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These materials and the information set forth herein were prepared by Craig-Hallum Capital Group LLC (“we” or “Craig-Hallum”) for the benefit and use of the Special Committee of the Board of Directors of Cepton, Inc. (“Cepton” or the “Company”) in connection with its consideration of the proposed transaction between Cepton and KOITO MANUFACTURING CO., LTD. (the “Parent”). These materials and the information contained herein are confidential, are for discussion purposes only, may not be relied upon by any person or entity for any purpose, except as provided by the terms of the letter governing the terms of our engagement, and may not be disclosed publicly except to the extent required by applicable law with our prior written consent. The materials were not prepared with a view to public disclosure or to conform with any disclosure standards under any securities laws or other laws, rules or regulations, and Craig-Hallum takes no responsibility for the use of the materials by persons other than the Special Committee of Cepton. The materials and information set forth herein are addressed solely to Cepton’s Special Committee for the purposes of rendering Craig-Hallum’s opinion at the meeting of Cepton’s Special Committee on July 28, 2024. We have in the past provided investment banking and financial advisory services to the Company and have received fees for the rendering of such services. These services include acting as a capital markets advisor to Growth Capital Acquisition Corporation (“GCAC”) in relation to, or in connection with, the business combination between GCAC and Cepton which had closed in February 2022, for which we received customary compensation.

The information set forth herein has been prepared by Craig-Hallum based upon information supplied by management of Cepton and publicly available information, and portions of the information set forth herein or relied upon may be based upon certain statements, estimates, projections, and forecasts provided by management of Cepton with respect to the anticipated future performance of Cepton, including but not limited to financial projections and estimates of net operating loss benefits and forecasts of future utilization of the same. We have relied upon and assumed the accuracy and completeness and have not independently verified such information. With respect to any such estimated or forecasted information relied upon or used in our analyses, we have relied upon the assurances of Cepton that such information has been prepared on a reasonable basis in accordance with industry practice and reflects the best currently available estimates and judgments of management as to such future performance or utilization, and we assume no responsibility for and express no view as to any such estimates or forecasts or the assumptions on which they are based.

We have not conducted any independent valuation or appraisal of any of the assets or liabilities of Cepton or concerning the solvency or appraised or fair value of Cepton and we have not been furnished with any such valuation or appraisal. The information set forth herein is based upon economic, market, and other conditions as they exist on, and the information made available to us as of, the date hereof unless indicated otherwise. Although subsequent developments may affect the materials, Craig-Hallum is under no obligation to update, revise or reaffirm the materials. The materials do not address the underlying business decision of the Special Committee of Cepton or any other party to proceed with the proposed transaction, or the relative merits of the transaction as compared to any alternative transactions that might exist for Cepton. The materials do not constitute any opinion, nor do the materials constitute a recommendation to the Special Committee of Cepton, any Unaffiliated Stockholder of Cepton or any other person as to how to act or vote with respect to any matter relating to the transaction or whether to buy or sell any assets or securities of any company. The only opinion, if any, of Craig-Hallum is the opinion that is actually delivered to the Special Committee of Cepton in writing.

The preparation of the materials was a complex process involving quantitative and qualitative judgments and determinations with respect to financial, comparative and other analytic methods and the adaptation and application of these methods to the unique facts and circumstances presented and are not readily susceptible to partial analysis or summary description. Craig-Hallum did not attribute any particular weight to any analysis or factor considered by it, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. The analyses contained in the materials must be considered as a whole and selecting portions of the analyses, analytic methods and factors without considering all analyses and factors could create a misleading or incomplete view. The materials reflect judgments and assumptions with regard to industry performance, general business, economic, regulatory, market and financial conditions and other matters, many of which are beyond the control of the participants in the proposed transaction. Any estimates of value contained in the materials are not necessarily indicative of actual value or predictive of future results or values, which may be significantly more or less favorable. In addition, any analyses relating to the value of assets, businesses or securities are not appraisals and may not reflect the prices at which any assets, businesses or securities may actually be sold.

Capitalized terms used but not otherwise defined in this presentation have the meanings ascribed to them in the Agreement and Plan of Merger dated July 29, 2024 provided to Craig-Hallum on July 26, 2024 by and among Parent, Cepton, and Merger Sub (the “Merger Agreement”).

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# I. Introduction and Overview of the Proposed Transaction

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# Engagement

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- Craig-Hallum was retained by Cepton to provide an opinion to the Special Committee of the Board of Directors of the Company as to the fairness to the Company's stockholders other than Parent, Merger Sub or any of their respective Affiliates or the Rolling Stockholders (such other stockholders, the "Unaffiliated Stockholders"), from a financial point of view, of the Proposed Transaction, as defined below. In performing its analysis, Craig-Hallum reviewed the Merger Agreement, dated July 29, 2024 provided to Craig-Hallum on July 26, 2024.
- Craig-Hallum has been advised that Cepton, Inc., a Delaware corporation (the "Company" or "Cepton"), KOITO MANUFACTURING CO., LTD., a corporation organized under the laws of Japan (the "Parent") and Project Camaro Merger Sub, Inc., a Delaware corporation and an indirectly wholly owned subsidiary of Parent (the "Merger Sub"), propose to enter into an Agreement and Plan of Merger (the "Merger Agreement") by and among the Company, Parent, and Merger Sub, the agreed form of which Craig-Hallum has reviewed is dated July 29, 2024.
- The per share price offered to Unaffiliated Stockholders (the "Offer Price") and the Merger are referred to together as the "Proposed Transaction" the terms and conditions of the Proposed Transaction are more fully set forth in the Merger Agreement.
- This opinion addresses solely the fairness, from a financial point of view, to the Unaffiliated Stockholders of the Company of the proposed per share Offer Price communicated to Craig-Hallum and that Craig-Hallum has been advised will be set forth in the final Merger Agreement and does not address any other terms or agreement relating to the Proposed Transaction or any other terms of the Merger Agreement.
- Craig-Hallum was not requested to opine as to, and this opinion does not address, the basic business decision to proceed with or effect the Proposed Transaction, the merits of the Proposed Transaction relative to any alternative transaction or business strategy that may be available to the Company, or any other terms contemplated by the Merger Agreement.
- This opinion relates solely to the per share Offer Price payable to the Unaffiliated Stockholders of the Company, Craig-Hallum did not analyze any class of securities separately, and Craig-Hallum does not express any opinion regarding the consideration allocated or paid to any specific class of securities or to any individual stockholders.
- Furthermore, Craig-Hallum expresses no opinion with respect to the amount or nature of compensation to any officer, director, or employee of any party to the Proposed Transaction, or any class of such persons, relative to the compensation to be received by holders of the Company common stock in the Proposed Transaction or with respect to the fairness of any such compensation.

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*Source: Merger Agreement and Cepton management*

# Overview of the Companies

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## Cepton, Inc. (“Cepton”)

- **Cepton, Inc.**, is focused on the deployment of high performance, mass-market lidar solutions to deliver safety and autonomy across the automotive and smart infrastructure markets. Cepton’s technology design approach has been to achieve a highly competitive performance to price ratio, and in result of doing so, has developed a 905nm wavelength laser with direct time of flight detection and micro motion imaging technology that allows for both long-range and short-range lidar solutions. Cepton’s solutions allow customers to enable safety and autonomy applications across a broad range of end-markets, including its primary end market, advanced driver assistance systems (“ADAS”) in consumer and commercial vehicles.
- **Headquarters:** San Jose, California
- **2024E Revenue:** \$28.2 million<sup>1</sup>
- **2025E Revenue:** \$41.2 million<sup>1</sup>

## KOITO MANUFACTURING CO., LTD. (“Koito”)

- **KOITO MANUFACTURING CO., LTD.**, is a leading automotive lighting equipment provider. Koito provides automotive lighting products and accessories, including LED, discharge, and halogen headlamps, as well as fog lamps; and signaling lamps/other lighting products comprising LED rear combination, side turn signal, and high-mounted stop lamps. Within its growth strategy, Koito is promoting the combined development of its lighting technologies with advanced lidar technologies.
- **Headquarters:** Tokyo, Japan
- **Market Cap:** \$4.5 billion<sup>2</sup>
- **LTM Revenue:** \$6.0 billion<sup>2</sup>
- **LTM Net Income:** \$259.8 million<sup>2</sup>

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**Source:**

(1) Estimates provided by Cepton management

(2) S&P Capital IQ as of 7/19/2024, LTM data as of 3/31/2024; metrics translated into USD at an exchange rate of 0.006354451 USD/JPY per S&P Capital IQ



# Proposed Transaction Summary – Consideration

- As a part of the Proposed Transaction, Parent will pay \$3.17 per share in cash to Unaffiliated Stockholders

## Consideration Multiples

*\$ in millions, except per share figures*

Summary of Financial Terms of Proposed Transaction		Cepton Financial Metrics	
<b>Offer Price per Share</b>	<b>\$3.17</b>	<b>CPTN Management Revenue Estimates</b>	
Shares Outstanding <sup>1</sup>	17.7	2024E Revenue	\$28.2
<b>Cepton Implied Equity Value</b>	<b>\$56.0</b>	2025E Revenue	\$41.2
Less: Cash and Equivalents, Restricted Cash <sup>2</sup>	\$57.3	<b>CPTN Management Gross Profit Estimates</b>	
Plus: Debt <sup>3</sup>	\$106.3	2024E Gross Profit	\$12.3
<b>Cepton Implied Enterprise Value</b>	<b>\$105.0</b>	2025E Gross Profit	\$17.4
		<b>Implied Transaction Multiples</b>	
		Implied Enterprise Value / 2024E Revenue	<b>3.7x</b>
		Implied Enterprise Value / 2025E Revenue	<b>2.5x</b>
		Implied Enterprise Value / 2024E Gross Profit	<b>8.5x</b>
		Implied Enterprise Value / 2025E Gross Profit	<b>6.0x</b>

**Source:** Merger Agreement & Cepton financials provided by and approved for use by Cepton management

- (1) Latest capitalization table provided by the Company management, calculated using the treasury stock method based on the per share merger consideration, including both Koito shares and Rolling Stockholder shares  
 (2) Current cash as of 6/30/2023 provided by Cepton management on 7/25/2024  
 (3) Current liquidation value of convertible preferred stock outstanding as of 6/30/2023 provided by Cepton management on 7/9/2024

## II. Scope of Analysis and Company Financial Overview

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# Scope of Analysis

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- Craig-Hallum has made such reviews, analyses, and inquiries as it has deemed necessary or appropriate under the circumstances and has also considered general economic, market, and financial conditions in its assessment
- Craig-Hallum's procedures, investigations, and financial analyses with respect to the preparation of its analyses included, but were not limited to, the items summarized below:
  1. Reviewed the following documents:
    - The Company's audited annual financial statements for the years ended December 31, 2021, 2022, and 2023; the Company's unaudited interim financial statements for the three months ended March 31, 2024; and the Company's preliminary unaudited interim financial statements for the three months ended June 30, 2024
    - A detailed financial projection model for the years ending December 31, 2024 through 2028, provided to Craig-Hallum by management of the Company on July 23, 2024
    - Other internal documents, including the data room documents prepared by the Company and its advisors, relating to the history, past and current operations, financial conditions, and expected outlook of the Company, provided to Craig-Hallum by management of the Company and its advisors
    - Documents related to the Proposed Transaction, including the Merger Agreement
    - Estimates, projections and documents regarding Net Operating Loss carryforwards;
    - Various press releases, internal presentation and marketing materials prepared by the management of the Company, industry and market reports, research reports and white papers
  2. Discussed the information above with members of the management of the Company and had discussions concerning the information referred to above and the background and other elements of the Proposed Transaction, the financial condition, current operating results, and business outlook for the Company;
  3. Performed certain valuation and comparative analyses using generally accepted valuation and analytical techniques including an analysis of comparable public companies that Craig-Hallum deemed relevant, a review of publicly available information for selected M&A transactions to determine the premiums (or discounts) paid over recent trading prices prior to announcement of the transaction, and a discounted cash flow analysis; and
  4. Conducted such other analysis and considered such other factors as Craig-Hallum deemed necessary or appropriate

# Company Summary Financial Performance

(\$ in 000s)	Actual <sup>(1)</sup>			Projected <sup>(2)</sup>				
	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E
LiDAR Revenue	\$2,919	\$5,616	\$10,270	\$6,759	\$11,846	\$26,341	\$71,343	\$155,234
Development Revenue	\$1,583	\$1,810	\$2,786	\$21,400	\$29,360	\$6,000	\$3,000	\$6,000
<b>Total Revenue</b>	<b>\$4,502</b>	<b>\$7,426</b>	<b>\$13,056</b>	<b>\$28,159</b>	<b>\$41,206</b>	<b>\$32,341</b>	<b>\$74,343</b>	<b>\$161,234</b>
Total COGS	\$4,394	\$7,232	\$9,506	\$15,858	\$23,765	\$22,879	\$51,235	\$110,845
<b>Total Gross Profit</b>	<b>\$108</b>	<b>\$194</b>	<b>\$3,550</b>	<b>\$12,301</b>	<b>\$17,442</b>	<b>\$9,462</b>	<b>\$23,108</b>	<b>\$50,389</b>
<i>% Margin</i>	2.4%	2.6%	27.2%	43.7%	42.3%	29.3%	31.1%	31.3%
Total Operating Expenses	\$38,444	\$61,642	\$54,253	\$29,211	\$27,266	\$42,103	\$48,687	\$48,385
<b>Operating Income</b>	<b>(\$38,336)</b>	<b>(\$61,448)</b>	<b>(\$50,703)</b>	<b>(\$16,910)</b>	<b>(\$9,824)</b>	<b>(\$32,642)</b>	<b>(\$25,579)</b>	<b>\$2,004</b>

(1) 2021, 2022, 2023 year end financials from annual SEC filings

(2) 2024-2028 estimates approved and provided by Cepton management



# Company Summary Balance Sheet

(\$ in 000s)	Actual <sup>(1)</sup>			Projected <sup>(2)</sup>				
	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E
Cash & short-term investments	\$6,490	\$35,656	\$56,375	\$48,599	\$40,944	\$12,405	\$29,883	\$23,494
Accounts receivable, net	\$500	\$1,301	\$3,625	\$4,224	\$6,181	\$3,234	\$7,434	\$12,093
Inventories, net	\$2,523	\$2,985	\$2,396	\$1,516	\$2,695	\$4,953	\$12,411	\$21,547
Prepaid expense and other current assets	\$6,998	\$6,151	\$1,253	\$1,357	\$1,357	\$1,434	\$1,507	\$1,605
<b>Total Current Assets</b>	<b>\$16,511</b>	<b>\$46,093</b>	<b>\$63,649</b>	<b>\$55,696</b>	<b>\$51,177</b>	<b>\$22,027</b>	<b>\$51,235</b>	<b>\$58,738</b>
Property and equipment, net	\$480	\$982	\$1,450	\$1,160	\$1,612	\$1,739	\$2,493	\$4,224
Right-of-use assets	\$0	\$121	\$0	\$10,038	\$10,038	\$10,038	\$10,038	\$10,038
Other long-term assets	\$293	\$3,120	\$11,350	\$1,312	\$1,312	\$1,312	\$1,312	\$1,312
<b>Total Assets</b>	<b>\$17,284</b>	<b>\$50,316</b>	<b>\$76,449</b>	<b>\$68,206</b>	<b>\$64,139</b>	<b>\$35,116</b>	<b>\$65,079</b>	<b>\$74,312</b>
Accounts payable	\$2,547	\$1,979	\$1,128	\$1,186	\$710	\$684	\$1,534	\$3,322
Operating lease liabilities	\$0	\$211	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875
Accrued expenses	\$2,777	\$2,265	\$4,066	\$1,724	\$1,828	\$2,069	\$2,247	\$2,236
Short-term debt	\$0	\$42,587	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Current Liabilities</b>	<b>\$5,324</b>	<b>\$47,042</b>	<b>\$7,069</b>	<b>\$4,785</b>	<b>\$4,413</b>	<b>\$4,629</b>	<b>\$5,657</b>	<b>\$7,433</b>
Warrant liabilities	\$0	\$440	\$43	\$43	\$43	\$43	\$0	\$0
Earnout liabilities	\$0	\$920	\$93	\$93	\$0	\$0	\$0	\$0
Other long-term liabilities	\$23	\$281	\$8,720	\$8,514	\$8,224	\$7,938	\$7,613	\$7,921
<b>Total Liabilities</b>	<b>\$5,347</b>	<b>\$48,683</b>	<b>\$15,925</b>	<b>\$13,435</b>	<b>\$12,680</b>	<b>\$12,610</b>	<b>\$13,270</b>	<b>\$15,354</b>
<b>Commitments &amp; Contingencies and Stockholders Equity</b>	<b>\$11,937</b>	<b>\$1,633</b>	<b>\$60,524</b>	<b>\$54,771</b>	<b>\$51,459</b>	<b>\$22,506</b>	<b>\$51,808</b>	<b>\$58,958</b>
<b>Total Liabilities, Commitments &amp; Contingencies, and Stockholders Equity</b>	<b>\$17,284</b>	<b>\$50,316</b>	<b>\$76,449</b>	<b>\$68,206</b>	<b>\$64,139</b>	<b>\$35,116</b>	<b>\$65,079</b>	<b>\$74,312</b>

(1) 2021, 2022, 2023 year end financials from annual SEC filings

(2) 2024-2028 estimates approved and provided by Cepton management



## III. Valuation Analysis

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# Summary Valuation Observations

## IMPLIED CEPTON VALUATION RANGES

Comparable Public Companies	Target Metric Million (USD)	EV/ Multiples					Implied Enterprise Value (\$ millions)					Implied Share Price				
		Low	25th Percentile	Median	75th Percentile	High	Low	25th Percentile	Median	75th Percentile	High	Low	25th Percentile	Median	75th Percentile	High
2024E Revenue	\$28.2	0.7 x	1.7 x	4.8 x	9.8 x	19.7 x	\$19.1	\$49.0	\$134.0	\$275.5	\$555.0	NM	NM	\$4.81	\$12.81	\$28.63
2025E Revenue	\$41.2	0.2 x	0.8 x	2.4 x	4.1 x	5.5 x	\$6.3	\$32.8	\$97.5	\$169.1	\$227.1	NM	NM	\$2.75	\$6.80	\$10.08
2024E Gross Profit	\$12.3	2.2 x	4.8 x	7.4 x	10.1 x	12.7 x	\$26.5	\$59.0	\$91.5	\$124.0	\$156.5	NM	\$0.57	\$2.40	\$4.24	\$6.08
2025E Gross Profit	\$17.4	1.0 x	3.1 x	9.2 x	13.4 x	25.8 x	\$17.6	\$54.0	\$161.1	\$233.6	\$449.6	NM	\$0.28	\$6.34	\$10.44	\$22.67
<b>Premiums Paid</b>																
Premiums Paid 1-Day	\$2.53	-4.3%	24.0%	43.6%	57.4%	151.6%	\$91.8	\$104.5	\$113.2	\$119.4	\$161.5	\$2.42	\$3.14	\$3.63	\$3.98	\$6.37
Premiums Paid 1-Week	\$2.59	-3.4%	23.2%	44.5%	60.8%	172.6%	\$93.2	\$105.4	\$115.2	\$122.6	\$173.8	\$2.50	\$3.19	\$3.74	\$4.16	\$7.06
Premiums Paid 1-Month	\$2.52	-4.6%	20.2%	41.0%	67.0%	214.3%	\$91.5	\$102.6	\$111.8	\$123.4	\$189.0	\$2.40	\$3.03	\$3.55	\$4.21	\$7.92
<b>Discounted Cash Flow</b>																
Terminal Revenue							\$22.8	\$58.4	\$100.7	\$150.7	\$209.9	NM	\$0.68	\$3.10	\$5.97	\$9.39

"NM" (Not Meaningful) datapoints reflect negative implied share prices

Source: S&P Capital IQ, Bloomberg, and SEC filings as of 7/26/2024

Target metrics based on the Company financials provided by and approved for use by Cepton management

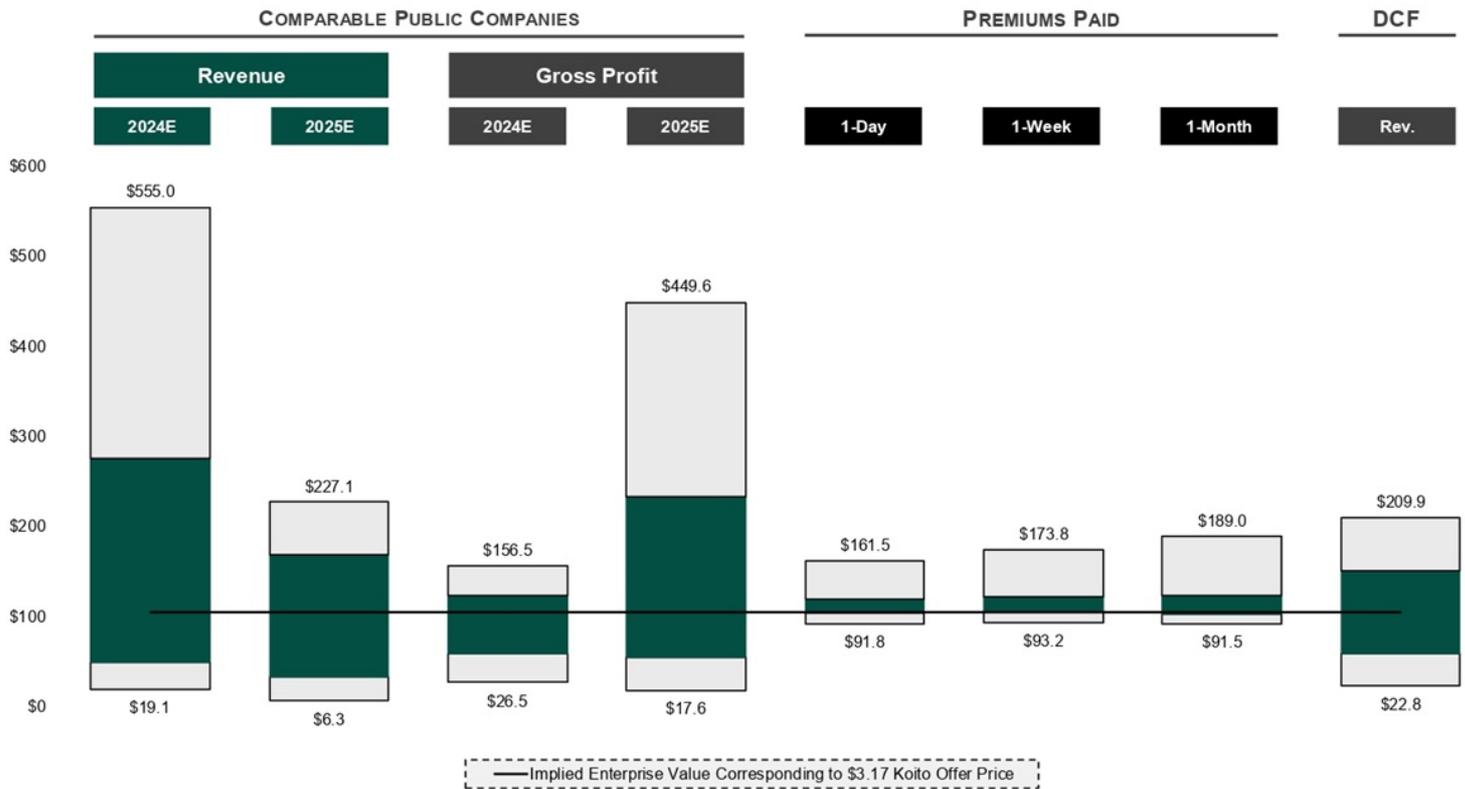
Implied enterprise value and implied share prices are based on 17.7 million fully diluted shares outstanding, \$106.3 million of debt, and \$57.3 million of cash and equivalents and restricted cash



CRAIG-HALLUM  
CAPITAL GROUP LLC

# Summary Valuation Observations – Enterprise Value

- The green bars represent the 25th to 75th percentile for each of the respective valuation methodologies



Source: S&P Capital IQ, Bloomberg, and SEC filings as of 7/26/2024

Target metrics based on the Company financials provided by and approved for use by Cepton management

Implied enterprise value and implied share prices are based on 17.7 million fully diluted shares outstanding, \$106.3 million of debt, and \$57.3 million of cash and equivalents and restricted cash



CRAIG-HALLUM  
CAPITAL GROUP LLC

# Comparable Public Company Analysis and Methodology

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## Overview

- The Comparable Public Company Analysis reviews securities of publicly-traded companies deemed to be comparable to the Company, share pricing in the public market incorporates a wide range of factors including general economic conditions, interest rates, inflation and investor perceptions

## Selection Process

### **Our search focused on public companies with the following characteristics:**

- LiDAR technology companies
- Similar product and service offering to the Company
- Companies listed on Major US Exchanges
- Companies with similar attributes to the Company's business

### **The search yielded the following results:**

#### **LiDAR Companies**

- Aeva Technologies, Inc.
- Aeye, Inc.
- Hesai Group
- Innoviz Technologies Ltd
- Luminar Technologies, Inc.
- Microvision, Inc.
- Ouster, Inc.

# Selected Comparable Public Companies Analysis

COMPARABLE COMPANY ANALYSIS								
\$ in millions, except per share data								
Company	Ticker	Stock Price	Market Cap	Enterprise Value	2024E Multiples		2025E Multiples	
					Revenue	Gross Profit	Revenue	Gross Profit
Luminar Technologies, Inc.	LAZR	\$1.69	\$825.4	\$1,223.4	11.4x	NA	5.5x	25.8x
Ouster, Inc.	OUST	\$13.96	\$688.3	\$544.2	4.7x	12.7x	3.1x	8.0x
Hesai Group	HSAI	\$4.58	\$606.2	\$281.1	0.8x	2.2x	0.5x	1.5x
MicroVision, Inc.	MVIS	\$1.12	\$241.8	\$166.7	19.7x	NM	4.4x	10.5x
Aeva Technologies, Inc.	AEVA	\$3.66	\$222.5	\$33.2	4.9x	NA	1.7x	14.4x
Innoviz Technologies Ltd.	INMZ	\$0.85	\$151.1	\$20.2	0.7x	NA	0.2x	1.0x
AEye, Inc.	LDR	\$1.51	\$12.6	(\$20.7)	NM	NA	NM	NA
	<b>High</b>		\$825.4	\$1,223.4	19.7x	12.7x	5.5x	25.8x
	<b>75th Percentile</b>		\$647.2	\$412.7	9.8x	10.1x	4.1x	13.4x
	<b>Median</b>		\$241.8	\$166.7	4.8x	7.4x	2.4x	9.2x
	<b>25th Percentile</b>		\$186.8	\$26.7	1.7x	4.8x	0.8x	3.1x
	<b>Low</b>		\$12.6	-\$20.7	0.7x	2.2x	0.2x	1.0x

FINANCIAL ESTIMATES SUMMARY								
\$ in millions, except per share data								
Company	Ticker	2024E	2025E	2024E	2025E	2024E	2025E	2024E - 2025E
		Revenue	Revenue	Gross Profit	Gross Profit	Gross Margin	Gross Margin	Rev. Growth
Luminar Technologies, Inc.	LAZR	\$107.1	\$222.0	NA	\$47.5	NA	21%	107.3%
Ouster, Inc.	OUST	\$116.7	\$176.5	\$42.8	\$68.3	37%	39%	51.3%
Hesai Group	HSAI	\$368.3	\$551.1	\$130.2	\$191.0	35%	35%	49.6%
MicroVision, Inc.	MVIS	\$8.5	\$37.5	\$1.5	\$15.9	17%	42%	343.5%
Aeva Technologies, Inc.	AEVA	\$6.8	\$20.1	NA	\$2.3	NA	12%	193.8%
Innoviz Technologies Ltd.	INMZ	\$29.8	\$131.8	NA	\$20.0	NA	15%	342.8%
AEye, Inc.	LDR	\$1.6	\$5.5	NA	\$0.0	NA	0%	243.8%
	<b>High</b>	\$368.3	\$551.1	\$130.2	\$191.0	37%	42%	343%
	<b>75th Percentile</b>	\$111.9	\$199.2	\$86.5	\$57.9	36%	37%	293%
	<b>Median</b>	\$29.8	\$131.8	\$42.8	\$20.0	35%	21%	194%
	<b>25th Percentile</b>	\$7.6	\$28.8	\$22.1	\$9.1	26%	13%	79%
	<b>Low</b>	\$1.6	\$5.5	\$1.5	\$0.0	17%	0%	50%

Source: SEC filings, financial estimates and stock price based on S&P Capital IQ, enterprise values based on TSM diluted shares outstanding, as of 7/26/2024

"NM" (Not Meaningful) datapoints reflect negative multiples, any revenue multiples >25x, and any gross profit multiples >50x

"NA" (Not Applicable) datapoints reflect multiples in which consensus estimates are not available



# M&A Premiums Paid Analysis - Methodology

## Screening criteria:

- Deals completed or those announced but have not closed since January 1, 2021 in the United States and Canada
- Deals that were 100% cash transactions acquiring greater than 50% of the target company
- Transaction value ranging from \$20 million to \$250 million
- Includes only technology company transactions

## 30 total transactions in analysis

Premiums Paid – Current (7/26/2024) <sup>1</sup>			
Premiums Paid Analysis			
	1-Day	1-Week	1-Month
High	151.6%	172.6%	214.3%
75th Percentile	57.4%	60.8%	67.0%
Median	43.6%	44.5%	41.0%
25th Percentile	24.0%	23.2%	20.2%
Low	(4.3%)	(3.4%)	(4.6%)
<b>Cepton Closing Share Price</b>	\$2.53	\$2.59	\$2.52
<i>Date</i>	7/26/2024	7/19/2024	6/26/2024
<b>\$3.17 Corresponding Premium<sup>2</sup></b>	<b>25.3%</b>	<b>22.4%</b>	<b>25.8%</b>
Implied Price Per Share			
<i>Share price shown in USDs</i>	1-Day	1-Week	1-Month
High	\$6.37	\$7.06	\$7.92
75th Percentile	\$3.98	\$4.16	\$4.21
Median	\$3.63	\$3.74	\$3.55
25th Percentile	\$3.14	\$3.19	\$3.03
Low	\$2.42	\$2.50	\$2.40

Source: S&P Capital IQ as of 7/26/2024

(1) Represents premium to Cepton closing price in respective time periods for the current \$3.17 offer price

(2) Represents 1 Day, 1 Week, and 1 Month Spot Premium prior to Current Stock Price as of 7/26/2024



# DCF Analysis – Methodology and Key Assumptions

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## ▪ Discounted Cash Flow Methodology:

- Craig-Hallum performed a discounted cash flow (“DCF”) analysis of the projected unlevered free cash flows
- The DCF method is predicated on the concept that the value of a business is equal to the present value of the unlevered free cash flow earned during the forecast period plus the value at the end of that period, referred to as the terminal value
- Unlevered free cash flow is defined as cash generated by the business that is available to either reinvest or to distribute to security holders (net operating profit after tax plus stock-based compensation, plus expected net proceeds from Koito claim reimbursement, plus depreciation & amortization, less capital expenditures, less increase in net working capital)
- The discount rate is equivalent to the rate of return that security holders could expect to realize on alternative investment opportunities with similar risk profiles
- Craig-Hallum notes that the Company has approximately \$51 million of net operating losses under state tax law and \$167 million of net operating losses under federal tax law for the year ended December 31, 2023<sup>1</sup>. We have assumed without further analysis that the NOLs will be fully available to offset future profits
- Craig-Hallum notes that the Company estimates its reimbursement claim to Koito for the General Motors project will result in approximately \$20 million of gross proceeds to the Company and estimates related payments by the Company to its suppliers of approximately \$2.2 million, both expected to occur in 2024<sup>2</sup>. As a result, we have assumed the Company receives net proceeds of approximately \$17.8 million in 2024

## ▪ Discounted Cash Flow Key Assumptions:

- At the request of the Company, Craig-Hallum utilized and relied upon projections provided by Company management on July 23, 2024 for the fiscal years ending 2024-2028. Craig-Hallum also discussed the projections with the Company management, reviewed the Company’s historical performance, and reviewed other factors to develop the DCF analysis. Projections assume an equity financing in 2027E of \$50 million in net proceeds
- Beyond the projection period, Craig-Hallum estimated the “terminal value” using a range of multiples for revenue (1.0x to 3.0x)
- Craig-Hallum discounted the resulting free cash flows and terminal value using a weighted average cost of capital range of 15.4% to 25.4%, derived from the weighted average cost of capital of Cepton (see page 25 for additional detail)
- At the Company’s request, Craig-Hallum assumed a transaction date of July 28, 2024 for the purposes of our DCF analysis

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### Source:

- (1) Management approved estimates for the year ended December, 31 2023 provided to Craig-Hallum on 2/15/2024  
(2) Management approved payments and expenses of the Koito claim provided to Craig-Hallum on 7/23/2024



# Discounted Cash Flow Analysis – Summary & Sensitivity

\$ in millions

	2024P <sup>1</sup>	2025P	2026P	2027P	2028P
<b>Operating Profit</b>	<b>(\$16.9)</b>	<b>(\$9.8)</b>	<b>(\$32.6)</b>	<b>(\$25.6)</b>	<b>\$2.0</b>
Less: Taxes @ 29.8% <sup>2</sup>	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.6)
<b>NOPAT<sup>3</sup></b>	<b>(\$16.9)</b>	<b>(\$9.8)</b>	<b>(\$32.6)</b>	<b>(\$25.6)</b>	<b>\$1.4</b>
Plus: D&A	\$0.3	\$0.4	\$0.5	\$0.7	\$1.2
Plus: Stock-Based Compensation	\$5.2	\$5.1	\$3.3	\$4.6	\$5.6
Plus: Koito Claim	\$17.8	-	-	-	-
Less: CapEx	\$0.0	(\$0.8)	(\$0.6)	(\$1.5)	(\$2.9)
Less: Δ Net Working Capital <sup>4</sup>	(\$2.1)	(\$3.5)	\$0.8	(\$10.7)	(\$12.1)
<b>Unlevered Free Cash Flow</b>	<b>\$4.3</b>	<b>(\$8.7)</b>	<b>(\$28.7)</b>	<b>(\$32.4)</b>	<b>(\$6.8)</b>
<b>Discount @ 20.4%</b>					<b>(\$41.1)</b>
<b>PV of TV Revenue @ 2.0x</b>					<b>\$141.8</b>
<b>Implied Enterprise Value</b>					<b>\$100.7</b>
<b>Plus: Cash &amp; Equivalents, Restricted Cash</b>					<b>\$57.3</b>
<b>Less: Debt<sup>5</sup></b>					<b>\$106.3</b>
<b>Implied Equity Value</b>					<b>\$51.7</b>
<b>Fully Diluted Shares Outstanding</b>					<b>17.7</b>
<b>Equity Value per Share</b>					<b>\$2.92</b>
<b>Plus: NOL Impact</b>					<b>\$0.18</b>
<b>Equity Value per Share</b>					<b>\$3.10</b>

Implied Enterprise Value					
Terminal Revenue Multiple					
	1.00x	1.50x	2.00x	2.50x	3.00x
WACC 15.4%	\$38.8	\$81.6	\$124.3	\$167.1	\$209.9
WACC 17.9%	\$34.0	\$72.9	\$111.8	\$150.7	\$189.6
WACC 20.4%	\$29.8	\$65.2	\$100.7	\$136.1	\$171.6
WACC 22.9%	\$26.1	\$58.4	\$90.8	\$123.2	\$155.5
WACC 25.4%	\$22.8	\$52.4	\$82.0	\$111.6	\$141.2

Implied Stock Price					
Terminal Revenue Multiple					
	1.00x	1.50x	2.00x	2.50x	3.00x
WACC 15.4%	-\$0.29	\$2.13	\$4.55	\$6.97	\$9.39
WACC 17.9%	-\$0.63	\$1.57	\$3.77	\$5.97	\$8.17
WACC 20.4%	-\$0.91	\$1.09	\$3.10	\$5.10	\$7.11
WACC 22.9%	-\$1.15	\$0.68	\$2.51	\$4.34	\$6.17
WACC 25.4%	-\$1.36	\$0.31	\$1.99	\$3.66	\$5.34

Financials provided by and approved for use by Cepton management

(1) Assumes transaction date of 7/28/2024

(2) Assumes 21.0% federal tax rate and 8.8% state tax rate, per Cepton

(3) "NOPAT" defined as net operating profit after taxes

(4) As provided by and approved for use by Cepton management; Net Working Capital defined as the sum of Accounts Receivable, Inventory and Prepaid

Expenses, less Accounts Payable and Accrued Expenses

(5) Debt includes liquidation value of convertible preferred stock



# Accumulated Net Operating Losses (“NOL”) Valuation

In millions	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	///					2065	2066	2067	2068	2069
EBIT	\$ (16.9)	\$ (9.8)	\$ (32.6)	\$ (25.6)	\$ 2.0	\$ 2.2	\$ 2.4	\$ 2.6	\$ 2.8	\$ 3.1	\$ 3.2	\$ 3.3	\$ 3.4	\$ 3.5	\$ 3.6	\$ 3.6	\$ 3.7	\$ 6.1	\$ 6.2	\$ 6.3	\$ 6.5	\$ 6.6					
Total other income (expense)	6.2	1.7	0.8	0.6	1.0	1.5	1.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0					
EBT	(10.7)	(8.1)	(31.8)	(25.0)	3.0	3.7	3.9	5.6	5.8	6.1	6.2	6.3	6.4	6.5	6.6	6.6	6.7	9.1	9.2	9.3	9.5	9.6					
Federal Tax (21.0%)	-	-	-	-	0.6	0.8	0.8	1.2	1.2	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	1.9	1.9	2.0	2.0	2.0					
State Tax (8.8%)	-	-	-	-	0.3	0.3	0.3	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.8	0.8	0.8	0.8	0.8					
<b>NOL Analysis</b>																											
Federal Beginning Bal.	\$ 166.8	\$ 177.6	\$ 185.7	\$ 217.6	\$ 242.5	\$ 240.1	\$ 237.2	\$ 234.1	\$ 229.6	\$ 224.9	\$ 220.1	\$ 215.1	\$ 210.1	\$ 205.0	\$ 197.3	\$ 192.1	\$ 186.8	\$ 31.5	\$ 24.2	\$ 16.8	\$ 9.3	\$ 1.8					
Federal Offset	-	-	-	-	2.4	2.9	3.1	4.5	4.7	4.9	4.9	5.0	5.1	5.2	5.3	5.3	5.4	7.3	7.4	7.5	7.6	1.8					
Federal NOLs set to Expire	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.7	-	-	-	-	-	-	-					
Federal Remaining	177.6	185.7	217.6	242.5	240.1	237.2	234.1	229.6	224.9	220.1	215.1	210.1	205.0	197.3	192.1	186.8	181.4	24.2	16.8	9.3	1.8	-					
Taxes Shielded	-	-	-	-	0.5	0.6	0.7	0.9	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.5	1.5	1.6	1.6	0.4					
PV of Taxes Shielded (WACC @ 21%)	-	-	-	-	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	2.2					
State Beginning Bal.	\$ 50.9	\$ 61.7	\$ 69.8	\$ 101.7	\$ 126.6	\$ 124.2	\$ 121.3	\$ 118.2	\$ 113.7	\$ 109.0	\$ 104.2	\$ 99.2	\$ 94.2	\$ 89.1	\$ 83.9	\$ 78.7	\$ 73.3	\$ -	\$ -	\$ -	\$ -	\$ -					
State Offset	-	-	-	-	2.4	2.9	3.1	4.5	4.7	4.9	4.9	5.0	5.1	5.2	5.3	5.3	5.4	-	-	-	-	\$126.6					
State Remaining	61.7	69.8	101.7	126.6	124.2	121.3	118.2	113.7	109.0	104.2	99.2	94.2	89.1	83.9	78.7	73.3	68.0	-	-	-	-	-					
Taxes Shielded	-	-	-	-	0.2	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	-	-	-	-	-					
PV of Taxes Shielded (WACC @ 21%)	-	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	-	-	-	-	\$0.92					

Federal NOLs utilized

\$240.0

State NOLs utilized

\$126.6

Present value of utilized federal NOLs

\$2.21

Present value of utilized state NOLs

\$0.92

Total present value of NOLs

\$3.13

Total present value of NOLs per share

\$0.18

Source: NOL balances provided by Cepton management

Federal and state tax rates of 21.0% and 8.8%, respectively, provided by management, Craig-Hallum did not provide any calculation or analysis regarding the valuation or availability of the NOLs nor the annual benefit limitation, to which was 80% of annual EBIT as provided by management EBIT growth estimate of 9% annually from 2029-2033, 3% annually 2034-2038, and 2% annual 2039 and on; and other income (expense) provided by Cepton management on 2/15/2024 and assumes a transaction date of 7/28/2024

## Appendix A: Selected Public Company Descriptions

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# Comparable Public Companies – Descriptions

Company	Business Description
	<p>Aeva Technologies, Inc. designs 4D LiDAR-on-chips in the United States, Thailand, Europe, the Middle East, and Asia. The company develops its products using frequency modulated continuous wave sensing technology. It offers 4D LiDAR sensing system with embedded software for automotive, industrial, and security applications; and a silicon photonics engine and software algorithms for industrial automation and consumer device applications. The company was founded in 2017 and is based in Mountain View, California.</p>
	<p>AEye, Inc., together with its subsidiaries, provides lidar systems for vehicle autonomy, advanced driver-assistance systems, and robotic vision applications in the United States, Germany, Europe, and Asia. It offers 4Sight A, a software-configurable lidar solution for automotive markets, including 4Sight at Design, Triggered 4Sight, or Responsive 4Sight software levels; and 4Sight M, a software-configurable lidar solution for the mobility and industrial markets, including 4Sight at Design, Triggered 4Sight, Responsive 4Sight, and Predictive 4Sight software levels. The company was formerly known as US LADAR, Inc. and changed its name to AEye, Inc. in March 2016. AEye, Inc. was founded in 2013 and is headquartered in Dublin, California.</p>
	<p>Hesai Group, through with its subsidiaries, engages in the development, manufacture, and sale of three-dimensional light detection and ranging solutions (LiDAR). Its LiDAR products are used in passenger and commercial vehicles with advanced driver assistance systems; autonomous passenger and freight mobility services; and other applications, such as delivery robots, street sweeping robots, and logistics robots in restricted areas. Hesai Group was founded in 2014 and is based in Shanghai, China.</p>
	<p>Innoviz Technologies Ltd. designs and manufactures solid-state LiDAR sensors and develops perception software that enables the mass production of autonomous vehicles. The company manufactures InnovizOne, a solid-state LiDAR sensor designed for automakers and robotaxi, shuttle, trucking, and delivery companies requiring an automotive-grade and mass-producible solution to achieve autonomy. Its automotive-grade sensor is integrable into Level 3 through 5 autonomous vehicles for the safety of passengers and pedestrians. The company also provides InnovizTwo, an automotive-grade LiDAR sensor that offers a solution for all levels of autonomous driving, as well as an option to integrate the perception application in the LiDAR sensor; Innoviz360, a 360-degree LiDAR for automotive and non-automotive applications; and perception application, a software application that turns the InnovizOne LiDAR's raw point cloud data into perception outputs to provide scene perception and deliver an automotive-grade ASIL B(D) solution. It operates in Europe, Asia Pacific, the Middle East, Africa, and North America. The company was incorporated in 2016 and is headquartered in Rosh HaAyin, Israel.</p>

Source: S&P Capital IQ, SEC filings, Comparable Public Company websites

# Comparable Public Companies – Descriptions

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Company	Business Description
	<p>Luminar Technologies, Inc., an automotive technology company, provides sensor technologies and software for passenger cars and commercial trucks in North America, the Asia Pacific, Europe, and the Middle East. It operates in two segments, Autonomy Solutions and Advanced Technologies and Services. The Autonomy Solutions segment designs, manufactures, and sells laser imaging, detection, and ranging sensors or lidars, as well as related perception and autonomy software solutions primarily for original equipment manufacturers in the automobile, commercial vehicle, robo-taxi, and adjacent industries. The Advanced Technologies and Services segment develops application-specific integrated circuits, pixel-based sensors, and advanced lasers. This segment also designs, tests, and provides consulting services for non-standard integrated circuits for use in automobile and aeronautics sector, as well as government spending in military and defense activities. The company was founded in 2012 and is headquartered in Orlando, Florida.</p>
	<p>MicroVision, Inc. develops and sells lidar sensors used in automotive safety and autonomous driving applications. Its laser beam scanning technology is based on micro-electrical mechanical systems (MEMS), laser diodes, opto-mechanics, electronics, algorithms, and software. In the recent past, Microvision developed micro-display concepts and designs for use in head-mounted augmented reality, or AR, headsets and developed a 1440i MEMS module supporting AR headsets. Microvision also developed an interactive display solution targeted at the smart speakers market and a small consumer lidar sensor for use indoors with smart home systems. MicroVision, Inc. was founded in 1993 and is headquartered in Redmond, Washington.</p>
	<p>Ouster, Inc. designs and manufactures high-resolution digital lidar sensors and enabling software that offers 3D vision to machinery, vehicles, robots, and fixed infrastructure assets. Its product portfolio includes OS, a scanning sensor, and DF, a solid-state flash sensor. The company is based in San Francisco, California.</p>

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Source: S&P Capital IQ, SEC filings, Comparable Public Company websites

## Appendix B: Weighted Average Cost of Capital

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# Weighted Average Cost of Capital Calculation

## WACC CALCULATION

(\$ in millions)

	Comparable Public Companies						
	Luminar Technologies,	Hesai Group	Ouster, Inc.	MicroVision, Inc.	va Technologies,	oriz Technologies	AEye, Inc.
	LAZR	HSAI	OUST	MVIS	AEVA	INVZ	LIDR
Observed (Levered Beta) (a)	2.73	1.54	2.97	1.94	2.25	2.39	2.05
Adjusted Beta (b)	2.16	1.36	2.32	1.62	1.84	1.93	1.70
<b>Total Debt</b>	<b>\$625</b>	<b>\$71</b>	<b>\$45</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Market Value of Equity</b>	<b>\$825</b>	<b>\$606</b>	<b>\$688</b>	<b>\$242</b>	<b>\$223</b>	<b>\$151</b>	<b>\$13</b>
<b>Total Capitalization</b>	<b>\$1,450</b>	<b>\$677</b>	<b>\$734</b>	<b>\$242</b>	<b>\$223</b>	<b>\$151</b>	<b>\$13</b>
Total Debt to Equity Ratio	75.7%	11.8%	6.6%	--	--	--	--
Total Debt / Total Capitalization	43.1%	10.5%	6.2%	--	--	--	--
Equity / Total Capitalization	56.9%	89.5%	93.8%	100.0%	100.0%	100.0%	100.0%
Assumed Tax Rate	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%
<b>Unlevered Beta (c)</b>	<b>1.41</b>	<b>1.26</b>	<b>2.21</b>	<b>1.62</b>	<b>1.84</b>	<b>1.93</b>	<b>1.70</b>

### Cost of Equity - Capital Asset Pricing Model

Risk Free Rate (20-Year Treasury) (d)	4.3%
Market Risk Premium (e)	5.0%
Size Premium (f)	7.6%
Median Debt / Equity Ratio	0.0%
Median Unlevered Beta	1.70
Levered Beta	1.70
<b>Estimated Cost of Equity (g)</b>	<b>20.4%</b>

### Cost of Debt

Cost of Debt (h)	5.8%
<b>After-Tax Cost of Debt</b>	<b>4.1%</b>
Equity / Total Capitalization Ratio	100.0%
Total Debt / Total Capitalization Ratio <sup>1</sup>	0.0%
<b>Weighted Average Cost of Capital (i)</b>	<b>20.4%</b>

### ASSUMPTIONS

- Observed beta (two year weekly per Bloomberg) as of 7/23/2024
- Adjusted beta equals [(levered beta) \* (2/3)] + [1/3]
- Unlevered beta equals adjusted levered beta divided by the quantity [1 + (the debt/equity ratio) \* (1 - the tax rate)]
- 10-year U.S. Treasury Note per Wall Street Journal as of 7/23/2024
- Kroll Capital "Cost of Capital Module" as of 6/6/2024
- Kroll Capital "Cost of Capital Module" (defined as companies with market capitalization between \$1.6 million and \$97.4 million), 10B CRSP 10th Decile Breakdown
- Capital Asset Pricing Model; [(the risk-free rate of return) + [(the equity risk premium) \* (levered beta)] + [the size premium]
- Based on estimated cost of debt (defined as Moody's Seasoned Baa Corporate Bond Yield) as of July 19, 2024
- WACC equals [(the cost of equity) \* (the equity/capital ratio)] + [(the cost of debt) \* (the debt/total capital ratio) \* (1 - the tax rate)]

Source: Bloomberg and S&P Global Capital IQ of 7/26/2024

(1) Based on median total debt / total capitalization ratio of comparable companies

